

DRAFT RED HERRING PROSPECTUS

August 2, 2011

Please read Section 60B of the Companies Act, 1956
(The Draft Red Herring Prospectus will be updated
and become Red Herring Prospectus upon RoC filing)
100% Book Building Issue

**DUPLEX INDUSTRIES LIMITED**

Our Company was incorporated on September 26, 1990 under the provisions of the Companies Act, 1956 as Duplex Wires Private Limited in Maharashtra. Pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on May 16, 2011 and the approval of the Central Government dated May 23, 2011, the name of our Company was changed to Duplex Industries Private Limited. Further, by a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on June 7, 2011, our Company was converted into a public limited company and consequently the name of our Company was changed to Duplex Industries Limited. A fresh certificate of incorporation reflecting the new name was issued by the Registrar of Companies, Maharashtra, Pune on June 28, 2011. The Corporate Identification Number of our Company is U31300MH1990PLC058307. For details in change of registered office please see the section titled "History and Other Corporate Matters" on page no.138.

Registered Office: CTS No. 712/A, Survey No. 140, Flat No. 2, Prachi Residency, Bhelkenagar, Kothrud, Pune – 411 038.

E-mail: info@duplexindustries.com; **Website:** www.duplexindustries.com; **Tel:** +91-20-25382561/62, **Fax:** +91-20-25396306.

Contact Person and Compliance Officer: Mr. Vishwas Chandhaikar

Promoters: Mr. Anand Satpute and Mr. Anil Satpute

PROMOTERS: MR. ANAND SATPUTE AND MR. ANIL SATPUTE

PUBLIC ISSUE OF [●] EQUITY SHARES OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH AGGREGATING UPTO ₹ 12,500 LAC (THE "ISSUE"), BY DUPLEX INDUSTRIES LIMITED (THE "COMPANY" OR THE "ISSUER"). THE ISSUE WILL CONSTITUTE [●] % OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ [●] TO ₹ [●] PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (BRLM) AND WILL BE ADVERTISED AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE. THE FLOOR PRICE IS [●] TIMES OF THE FACE VALUE AND THE CAP PRICE IS [●] TIMES OF THE FACE VALUE

In case of revision in the Price Band, the Bid/Issue Period shall be extended for 3 (three) additional working days after such revision, subject to the Bid/Issue Period not exceeding 10 (ten) working days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE), whose online IPO system will be available for bidding, by issuing a press release and by indicating the change on the website of the BRLM and the terminals of the member(s) of the Syndicate.

The Issue is being made under Sub-regulation (1) of Regulation 26 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and through 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) subject to valid bids being received at or above the Issue Price. Provided that our Company may allocate up to 30% of the QIB Portion, to Anchor Investors, on a discretionary basis ("Anchor Investor Portion"). For details, please see "Issue Procedure" on page 235. Out of the portion available for allocation to the QIBs, 5% will be available for allocation to Mutual Funds only. Mutual Fund Bidders shall also be eligible for proportionate allocation under the balance available for the QIBs portion, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Any Bidder (other than Anchor Investor) may participate in this Issue through the Application Supported by Blocked Amount ("ASBA") process by providing the details of their ASBA Accounts in which the corresponding Bid amounts will be blocked by Self Certified Syndicate Banks ("SCSBs"). However, it is mandatory for all QIBs (except Anchor Investors) and Non-Institutional Bidders for a Payment Amount of above ₹ 200,000 to participate in this Issue through the ASBA process. For details in this regard, please refer to section titled "Issue Procedure" beginning on page 235 of this Draft Red Herring Prospectus.

RISKS 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 ₹ 10/- and the Floor Price is [●] times of the Face Value and the Cap Price is [●] times of the Face Value. The Issue Price (as determined and justified by the BRLM and the Issuer as stated under the chapter on "Basis for Issue Price" beginning on page 83 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of our Equity Shares after our Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does the SEBI guarantee the accuracy or adequacy of this document. **Specific attention of the investors is invited to the statement of 'Risk Factors' beginning on Page 13 of the Draft Red Herring Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

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

IPO GRADING

The Issue has been graded by [●] and has been assigned a grade of [●]/5 indicating [●] fundamentals. The IPO Grading is assigned on a 5 point scale from 1 to 5 with an 'IPO Grade 5' indicating strong fundamentals and an 'IPO Grade 1' indicating poor fundamentals. *For further details and grading rationale, please refer to page no. 42 of the Draft Red Herring Prospectus under the section 'General Information'.*

LISTING ARRANGEMENT

The Equity Shares issued through the Draft Red Herring Prospectus are proposed to be listed on Bombay Stock Exchange Limited (BSE) and on The National Stock Exchange of India Limited (NSE). In-principle approvals have been received from BSE and NSE for the listing of the Equity Shares *vide* their letters dated [●] and [●] respectively. For the purposes of this Issue, [●] shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

ARIHANT capital markets Ltd.

SEBI Registration No.: INM000011070

3rd Floor, Krishna Bhavan,

67, Nehru Road, Vile Parle (East), Mumbai 400 057.

Tel. No.: +91- 22- 42254800/62;

Fax No.: +91- 22- 42254880

Email: amol.kshirsagar@arihantcapital.com / satish.p@arihantcapital.com

Investor Grievance Email: mbd@arihantcapital.com

Website: www.arihantcapital.com

Contact Person: Mr. Amol Kshirsagar / Mr. Satish Kumar P.

REGISTRAR TO THE ISSUE

Sharex Dynamic (India) Private Limited

Sharex Dynamic (India) Private Limited

SEBI Registration No: INR000002102

Unit No. 1, Luthra Industrial Premises,

Andheri Kurla Road, Safed Pool,

Andheri (East), Mumbai – 400 072

Tel No: + 91 22-28515606/44/6338

Fax No: ++91 22-2851 2885

Email: duplex.ipo@sharexindia.com

Website: www.sharexindia.com

Contact Person: Mr. K. C. Ajitkumar

ISSUE PROGRAMME*

BID/ISSUE OPENS ON

[●]

BID/ISSUE CLOSES ON

[●]

*Our Company in consultation with the BRLM, may decide to close the Bidding for QIBs one day prior to the Bid/Issue Closing Date. Anchor Investor Bid/Issue Period shall be one day prior to the Bid/Issue Opening Date.

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SECTION I - DEFINITIONS AND ABBREVIATIONS

ISSUER RELATED TERMS

Term	Description
“Duplex”, “Duplex Industries”, “our Company”, “the Company”, “the Issuer Company”, “the Issuer” “we”, “us”, and “our”	Unless the context otherwise requires, refers to Duplex Industries Limited, a public limited company incorporated under the Companies Act, 1956.
Articles/ Articles of Association	The Articles of Association of Duplex Industries Limited.
Statutory Auditor	Mr. Avinash Jeevan Utgikar
Board / Board of Directors	The Board of Directors of Duplex Industries Limited unless otherwise specified or any committee constituted thereof.
Group Companies	Companies, firms, ventures etc. promoted by our promoters as described in the chapter “Group Companies” on page no. 155.
Memorandum/ Memorandum of Association	The Memorandum of Association of Duplex Industries Limited.
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992
Promoter(s)	Unless the context otherwise requires, refers to Mr. Anand Satpute and Mr. Anil Satpute.
Promoter–Director (s)	Unless the context otherwise requires, refers to Mr. Anand Satpute and Mr. Anil Satpute.
Promoter Group	Individuals, Companies and entities forming part of our Promoter Group as per the SEBI ICDR Regulations. <i>For details please see “Our Promoters and Promoter Group” on page 152.</i>
RoC	Office of Registrar of Companies, Maharashtra, Pune.
Registered Office	CTS No. 712/A, Survey No. 140, Flat No. 2, Prachi Residency, Bhelkenagar, Kothrud, Pune – 411 038.

CONVENTIONAL/GENERAL TERMS

Term	Description
Act/ Companies Act	The Companies Act, 1956, as amended from time to time.
Depository	A body corporate registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant	A “Depository Participant” as defined under the Depositories Act, 1996.
Equity Shares	The Equity Shares of face value of ₹ 10 each of Duplex Industries Limited
Indian GAAP	Generally Accepted Accounting Principles in India.
Non Resident	A person who is not an NRI, FII and is not a person resident in India.
NRI/ Non-Resident Indian	A person resident outside India, as defined under Foreign Exchange Management (Deposit) Regulations, 2000 and who is a citizen of India or a Person of Indian Origin as defined under Foreign Exchange Management (Deposit) Regulations, 2000.
Parwanoo Unit I	The manufacturing unit erected on the land bearing Khasra No. 372/1, Khewat/Khatoni No. – 43, Naryal Village, Parwanoo, Tehsil – Kasauli, Dist Solan, Himachal Pradesh.

Term	Description
Parwanoo Unit II	The manufacturing unit erected on the land bearing Khasra No. 753, 881/754, 1st floor, Village Dangyar, Sector 2, Parwanoo, Tehsil – Kasauli, Dist Solan, Himachal Pradesh.
Proposed Project	Setting up of new unit for manufacture of Wires and Cables and expansion of existing unit at Silvassa for manufacture of Bare Copper strips and Insulated Copper Strips.
Quarter	A period of 3 (three) continuous months.
RBI Act	The Reserve Bank of India Act, 1934.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI ICDR Regulations	Means the regulations for Issue of Capital and Disclosure Requirements issued by Securities and Exchange Board of India, constituted in exercise of powers conferred by Section 30 of the Securities and Exchange Board of India Act, 1992 (as amended), called Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Stock Exchanges	Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE), referred to as collectively.

ISSUE RELATED TERMS

Term	Description
Allotment/ Allotment of Equity Shares	Unless the context otherwise requires, issue and allotment of Equity Shares to successful Bidders pursuant to this Issue.
Allottee	The successful Bidder to whom the Equity Shares are being/have been allotted.
Anchor Investor	A Qualified Institutional Buyer, making an application (in the Anchor Investor category) for a value of ₹ 1,000 Lac or more in the Public Issue made through the Book Building process in accordance with SEBI (ICDR) Regulations, 2009.
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus and the Prospectus to the Anchor Investors, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Portion	The portion of the Issue, being up to 30% of the portion available to QIBs, being [●] Equity Shares of our Company, which will be allocated to the Anchor Investors by our Company in consultation with the BRLM, on a discretionary basis. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Anchor Investor Bids being received from domestic Mutual Funds at or above the price at which allocation will be made to Anchor Investors.
Anchor Investor Bid/Issue Period	The date one working day prior to the Bid/Issue Opening Date i.e. [●], on which bidding by Anchor Investors shall be submitted and allocation to Anchor Investor is completed.
Applications Supported by Blocked Amount (ASBA)	Application Supported by Blocked Amount means an application (whether physical or electronic) subscribing to an Issue containing an authorization to block the Bid Amount in their specified bank account with Self Certified Syndicate Bank.
ASBA Account	Account maintained by an ASBA Bidder with a SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bidders/Investor	A Bidder / an Investor other than Anchor Investor in the Issue, who intends to bid/apply through ASBA process through blocking of funds in a bank account with an SCSBs.
ASBA Form / ASBA BCAF/ ASBA Bid cum Application Form	The Bid-cum-Application Form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purpose of Red Herring Prospectus and Prospectus.
ASBA Revision Form	The form used by ASBA Bidders to modify the number of Equity Shares or the Bid Price in any of their ASBA Bid-cum-Application Forms or any previous ASBA Revision Form(s).
Banker(s) to the Issue / Escrow Collection Banks	The banks which are clearing members and registered with SEBI as Banker to the Issue at which the Escrow Account for the Issue will be opened and in this case being [●].

Term	Description
Bid	An indication to make an offer made during the Bidding Period by a prospective investor or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid-cum-Application Form to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by any Bidder pursuant to the submission of an ASBA Bid-cum-Application Form to subscribe to the Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Lot/ Minimum bid lot	[●] Equity Shares.
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 for this Issue and in the case of ASBA Bidders, the amount mentioned in the ASBA Bid cum Application Form.
Bid/ Issue Closing Date	Except in relation to Anchor Investor, the date after which the Syndicate will not accept any Bids for the Issue, which shall be notified in a widely circulated English and Hindi national newspapers and a Marathi newspaper, each with wide circulation.
Bid/ Issue Opening Date	Except in relation to Anchor Investor, the date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in widely circulated English and Hindi national newspapers and a Marathi language newspaper, each with wide circulation.
Bid-cum-Application Form / Bid Form	The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares of our Company and which will be considered as the application for allotment in terms of the Red Herring Prospectus and the Prospectus including ASBA Form or ASBA BCAF, if applicable.
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 Anchor Investor.
Bidding	The process of making a Bid.
Bidding Centre	A centre for acceptance of the Bid-cum-Application Form.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders (excluding Anchor Investors) can submit their Bids including any revisions thereof.
Book Building Process	Book Building Process as provided under Schedule XI of SEBI (ICDR) Regulations, 2009, as amended in terms of which this Issue is being made.
BRLM	Book Running Lead Manager to this Issue, in this case being Arihant Capital Markets Limited
Brokers to this Issue	Brokers registered with any recognized Stock Exchange, appointed by the Members of the Syndicate.
CAN/ Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof. In relation to Anchor Investors, the note or advice or intimation of allocation of Equity Shares sent to the successful Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Issue Price, including any revisions thereof.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalized and above which no Bids will be accepted including any revision thereof. In this case being ₹ [●].
Cut-off /Cut-off Price	Any price within the Price Band finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to bid at the Cut-off Price.
Controlling Branches	Such branches of the SCSBs which co-ordinate Bids received under this Issue by the ASBA Bidders with the BRLM, the Registrar to the Issue and the Stock Exchange(s).
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf

Term	Description
Designated Date	The date on which the Escrow Collection Banks transfer and the SCSBs issue, or by when have been issued, instructions for transfer, of the funds from the Escrow Accounts and ASBA Accounts, respectively to the Public Issue Account or the Refund Account, as appropriate, 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/ DRHP	The Draft Red Herring Prospectus which does not have complete particulars of the price at which the Equity Shares are offered and size of the Issue, which was filed with the SEBI and issued in accordance with Section 60B.
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Equity Shares	The equity shares of our Company of face value of ₹ 10/- each.
Escrow Account(s)	An Account opened with Escrow Collection Bank(s) and in whose favour the Bidder (except ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement entered into amongst our Company, the Registrar to this Issue, the Escrow Collection Banks, the BRLM and the Syndicate Member(s) in relation to the collection of the Bid Amounts and dispatch of the refunds (if any) of the amounts collected, to the Bidders (excluding ASBA Bidders).
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalized and below which no Bids will be accepted in this case being ₹ [●] and which shall not be lower than the face value of our Equity Shares.
Issue / The Issue / This Issue	Public Issue of [●] Equity Shares of ₹ 10 each at a Price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) for cash aggregating to ₹ 12,500 Lac, by [●]. The Issue will constitute [●] % of the fully diluted Post Issue Paid-up capital of our Company.
Issue Price	The final price at which Equity Shares will be issued and allotted in term of the Red Herring Prospectus and Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date.
Issue Proceeds	The proceeds of the Issue that will be available to our Company being upto ₹ 12,500 Lac.
Key Management Personnel	The personnel listed as key management personnel in “Our Management” on page 141.
Margin Amount	An amount up to 100% of the Bid Amount paid by Bidders or blocked in the ASBA Account, as the case may be, at the time of submission of the Bid cum Application Form or the ASBA Form, as applicable.
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	That portion of the Issue, being 5% of the QIB Portion (excluding Anchor Investor Portion) or [●] Equity Shares shall be available for allocation to Mutual Funds only, out of the QIB Portion (excluding Anchor Investor Portion) on a proportionate basis to Mutual Funds only.
Net Proceeds	Net proceeds of the Issue after deducting the Issue related expenses from the Issue Proceeds.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allotted to the Anchor Investors, being [●] Equity Shares to be allotted to QIB's on a proportionate basis.
Non Institutional Bidders	All Bidders that are neither Qualified Institutional Buyers nor Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 2,00,000.
Non Institutional Portion	The portion of the Issue being not less than 15% of the Issue i.e. [●] Equity Shares of ₹ 10 each available for allocation to Non Institutional Bidders on a proportionate basis, subject to receipt of valid Bids at or above the Issue Price.
Overseas Corporate Body	A company, partnership firm, 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%

Term	Description
	of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to Overseas Corporate Bodies under the FEMA. Overseas Corporate Bodies are not permitted to invest in this Issue.
Price Band	Being the Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised, at least two working days prior to the Bid/ Issue Opening Date, in two national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation.
Pricing Date	The date on which our Company in consultation with the BRLM will finalize the Issue Price.
Prospectus	The prospectus to be filed with the RoC in terms of Section 60B of the Companies Act, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account(s) and accounts of ASBA Investors for this Issue on the Designated Date.
Qualified Institutional Buyers or QIBs	<p>“Qualified Institutional Buyer” means: -</p> <ul style="list-style-type: none"> (i) a mutual fund, venture capital fund and foreign venture capital investor registered with the SEBI; (ii) a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; (iii) a public financial institution as defined in section 4A of the Companies Act, 1956; (iv) a scheduled commercial bank; (v) a multilateral and bilateral development financial institution; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority; (viii) a provident fund with minimum corpus of ₹ 2,500 Lac; (ix) a pension fund with minimum corpus of ₹ 2,500 Lac; (x) 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; (xi) Insurance funds set up and managed by Army, Navy or Air Force of the Union of India; and (xii) Insurance Funds set-up and managed by the Department of Posts, India
QIB Portion	The portion of this Issue being not more than 50% (including Anchor Investor Portion) of the Issue, i.e. [●] Equity Shares of ₹ 10 each available for allocation on proportionate basis to QIBs of which 5% shall be available for allocation on proportionate basis to Mutual Funds registered with SEBI, subject to valid bids being received at or above the Issue Price.
Refund Account(s)	Account(s) opened with Escrow Collection Bank(s) from which refunds of the whole or part of the Bid Amount (excluding to the ASBA Bidders), if any, shall be made.
Refund Bank	The bank(s) which have been appointed / designated for the purpose of refunding the amount to investors (except ASBA Investors) either through the electronic mode as prescribed by SEBI and / or physical mode in accordance with the procedure contained in the Chapter titled “Issue Procedure” beginning on page 235 of the Draft Red Herring Prospectus.
Resident Retail Individual Investor /Resident Retail Individual Bidder	A Retail Individual Bidder who is a “person resident in India” (as defined in Foreign Exchange Management Act, 1999) and who has Bid for Equity Shares for an aggregate amount not more than ₹ 2 Lac in all of the bidding options in the Issue.
Retail Individual Bidders	Individual Bidders (including HUFs, NRIs and Resident Individual Bidders) who have not Bid for an amount of more than ₹ 2 Lac in any of the bidding options in this Issue.
Retail Portion	The portion of this Issue being not less than 35% of the Issue i.e. [●] Equity Shares of ₹ 10 each available for allocation to Retail Individual Bidder(s).

Term	Description
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
Red Herring Prospectus/ RHP	The Red Herring Prospectus to be issued in accordance with Section 60B of the Companies Act, which will not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three days before the bid/ Issue Opening date and will become Prospectus after filing with the RoC after determination of the Issue Price.
Registrar to the Issue or Registrar	Registrar to the Issue in this case being, Sharex Dynamic (India) Private Limited.
Self Certified Syndicate Bank (SCSB) / SCSB(s)	Self Certified Syndicate Bank (SCSB) is a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf .
Syndicate	Collectively, the BRLM and the Syndicate Member(s).
Syndicate Agreement	The agreement to be entered into between our Company, BRLM and the Syndicate Member(s), in relation to the collection of Bids (excluding Bids from the ASBA Bidders) in this Issue.
Syndicate Member(s)	Intermediaries registered with SEBI and eligible to act as underwriters. Syndicate Member(s) are appointed by the BRLM in this case being Arihant capital Markets Limited.
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate Member(s) to the Bidder as proof of registration of the Bid on the online system of BSE/NSE.
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997
Underwriters	The BRLM and the Syndicate Member(s).
Underwriting Agreement	The Agreement among the Underwriters and our Company to be entered into on or after the Pricing Date.
Working Days	All days other than a Sunday or a public holiday (except in reference to announcement of Price Band and Bidding Period, where a working day means all days other than a Saturday, Sunday or a public holiday), on which commercial banks in Mumbai are open for business.

INDUSTRY RELATED TERMS

Abbreviation	Full Form
CC	Continuous Cast
COMEX/NYMEX	the Commodity Exchange Division of the New York Mercantile Exchange
CSP	Cash Settlement Price
Cu.Mtr	Cubic Metre
DEPB	Duty Entitlement Pass Book
DTH	Direct-to-Home
EHV	Extra High Voltage
EHT	Extra High Tension
ETP	Electrolytic Tough Pitch
HT	High Tension
HV	High Voltage
ICA	International Copper Association
ICSG	International Copper Study Group
JFTCS	Jelly Filled Telecom Cables
Kms	Kilo metres
Kg	Kilogram
kV	Kilo Voltage
KW	Kilo Watt
LME	The London Metal Exchange
LT	Low Tension
LV	Low Voltage

MT	Medium Tension / Metric Tonne
MTPA	Metric Tonne Per Annum
MW	Mega Watt
Mm	Millimetre
OEMs	Original Equipment Manufacturers
OFCS	Optical Fibre Cables
OFCR	Oxygen Free Copper Rod
OFHC	Oxygen Free High Conductivity
Pb	Lead free
PVC	Poly Vinyl Chloride
RoHs	Restrictions of Hazardous Substances standards
RMT	Running Metres
SHME	The Shanghai Metal Exchange
Sq mm	Square millimetre
Sq. Mtr	Square Metre
SWG	Standard Wire Gauge
SX-EW	Solvent extraction and electrowinning process
TCRC	Treatment and Refining Charges
UPS	Uninterrupted Power Supply
VSAT	Very Small Aperture Terminal
WTO	World Trade Organisation
XPPE	Cross linked Poly Ethylene

ABBREVIATIONS

Abbreviation	Full Form
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
BRLM	Book Running Lead Manager
BSE	Bombay Stock Exchange Limited
CAGR	Compound Annual Growth Rate
CAN	Confirmation of Allocation Note
CIDC	Construction Industry Development Council
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
DB	Designated Branch
DIN	Director's Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identification Number
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting of the shareholders
EME	Emerging Market Economies
EPS	Earnings per Equity Share
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the rules and regulations issued thereunder
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FII	Foreign Institutional Investor [as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time] registered with

Abbreviation	Full Form
	SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GBS	Gross Budgetary Support
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI / Government	Government of India
GT	Gross Tonnage
GQ	Golden Quadrilateral
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IEBR	Internal & Extra Budgetary Resources
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR	Indian National Rupee
IPO	Initial Public Offering
IT Act	Income Tax Act, 1961, as amended
Kms.	Kilometres
Ltd.	Limited
MAPIN	Market Participant and Investor Database
M&A	Mergers & Acquisitions
MM	Milli Metre
MSEB	Maharashtra State Electricity Board
NEFT	National Electronic Fund Transfer
NS-EW	North South – East West
NR	Non-Resident
NRE Account	Non Resident (External) Account
NRI	Non-Resident Indian
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	Overseas Corporate Body
P/E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIA	Project Implementation Agency
RBI	The Reserve Bank of India
RoNW	Return on Net Worth
R&D	Research & Development
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Bank
SEB	State Electricity Board
SSI	Small Scale Industry
STT	Securities Transaction Tax
SME	Small and Medium Enterprises

Abbreviation	Full Form
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
WDV	Written Down Value
w.e.f.	With effect from

SECTION II – GENERAL

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

All references to “India” contained in this Draft Red Herring Prospectus (DRHP) are to the Republic of India and all references to the “U.S.” or “U.S.A” are to the United States of America together with its territories and possessions.

Financial Data

Unless stated otherwise, the financial information used in the DRHP is derived from our Company’s restated financial statements for the financial years ended 2011, 2010, 2009, 2008 and 2007 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with SEBI (ICDR) Regulations stated in the report of our Auditors, M/s Lakshmikant Kabra & Company, Chartered Accountants, *beginning on page 161 of the DRHP.*

Our Financial Year commences on April 1 and ends on March 31 of the ensuing calendar year. Unless stated otherwise, references herein to a Financial Year (e.g., Financial Year 2011), are to the Financial Year ended March 31 of that particular year, so all references to a particular fiscal year are to the twelve-month (12) period ended March 31 of that year.

In the DRHP, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our financial statements and reported earnings could be different in a material manner from those which would be reported under IFRS or U.S.GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in the DRHP will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices, Indian GAAP, Companies Act and SEBI (ICDR) Regulations, 2009. Significant differences exist between Indian GAAP and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessment of our financial condition and results of operations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the DRHP should accordingly be limited. Our Company has not attempted to explain these 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 financial data.

Currency of Presentation

All references to “Rupees”, “₹” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “US \$” or “USD” or “U.S. Dollar” are to United States Dollars, the official currency of the United States of America. All references to “GBP” or “£” are to Great Britain Pounds, the official currency of the United Kingdom, its Crown Dependencies (the Isle of Man and the Channel Islands) and the British Overseas Territories of South Georgia And the South Sandwich Islands, British Antarctic Territory and Tristan da Cunha.

Throughout this DRHP all figures have been expressed in Lac and Crores. The word “Lakhs” or “Lakh” or “Lakhs” or “Lac” means “One Hundred Thousand” and “Crore/s” means “One Hundred Lac”.

Any percentage amounts, as set forth in the sections titled “Risk Factors”, “ Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 13, 107 and 197 respectively of this DRHP, unless otherwise indicated, have been calculated on the basis of our restated standalone financial information prepared in accordance with Indian GAAP.

Exchange Rates

This DRHP contains translations of U.S. Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of item (VIII) sub-item (G) of Part A of Schedule VIII of the SEBI Regulations. It should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Market and Industry Data

Unless stated otherwise, industry data used throughout the DRHP has been obtained or derived from industry publications and/or publicly available government documents. The section *“Industry Overview”* quotes and otherwise includes information from the website of International Copper Study Group, Ministry of Mines and the Ministry of Commerce and Industry, Government of India. Industry publications or publicly available government documents generally 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 our Company believes that industry data used in the DRHP is reliable, it has not been verified by us or any other person connected with the Issue.

Further, the extent to which the industry and market data presented in this DRHP 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 industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI Regulations, we have included in the section titled *“Basis for Issue Price”* on page 83, information pertaining to our peer group companies. Such information has been derived from publicly available annual reports of the peer group companies.

FORWARD LOOKING STATEMENTS

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

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Dependence on few customers;
- Lack of experience in cable manufacturing;
- Non-procurement or non-renewal or delay in procurement/renewal of relevant statutory and regulatory licenses/approvals/registrations;
- Any shutdown or any disruption in our manufacturing units;
- Any slump in local or global markets and change in the Government policy with respect to imports and exports; and
- Any increase in interest rates due to factors beyond the control of our Company.

For a further discussion of factors that could cause our actual results to differ, *please refer Section titled “Risk Factors” beginning on page 13 of the DRHP, and Chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations as Reflected in the Financial Statements” beginning on pages 107 and 197, respectively of the DRHP.* 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 the BRLM, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until the time of grant of listing and trading permissions by the Stock Exchanges.

SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in the DRHP, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business and operations or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. In addition, the risks set out in the DRHP are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. Any of the following risks, as well as the other risks and uncertainties discussed in the DRHP, could have a material adverse effect on our business and operations and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. This DRHP also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this DRHP. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial statements of our Company as of and for the Fiscals 2007, 2008 2009, 2010 and 2011 in each case prepared in accordance with Indian GAAP, including the schedules, annexure and notes thereto.

Materiality

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

- 1. Some risks/ events may not be material individually but may be found material collectively;*
- 2. Some risks/ events may have material impact qualitatively instead of quantitatively; and*
- 3. Some risks/events may not be material at present but may be having material impacts in future.*

INTERNAL RISK FACTORS

- 1. We are dependent upon few customers for our business. Our business is dependent on a continuing relationship with our key customers. Any reduction or interruption in the business of a key customer, or a substantial decrease in orders placed by a key customer may have an adverse impact on the revenues and operations of our Company.*

We are dependent on a few customers for our business. In FY 2011, top 10 (ten) customers accounted for about 89 % of our total sales. We do not have long term arrangements with all our customers to purchase our products in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from all the existing customers or to retain all the existing customers, or that we will be able to replace our customer base in a timely manner or at all. In the event our existing customers do not continue to purchase our products, it may affect our revenues and the financial condition of our Company.

- 2. We plan to foray into manufacture of cables. Our lack of experience in cable manufacture may affect our plans of expansion and in turn could affect our business operations.*

Historically, our Company has been into manufacturing of copper wires and other related products. Majority of our revenues have been received from this industry. While we expect to continue to operate and expand in this sector, we plan to foray into the manufacturing of cables. Although the manufacture of Wires and Cables is an extension of our existing activity and we are suppliers to cable manufactures, we lack experience in cable manufacture and there can be no assurance that we will be successful in this business segment. We may not be able to anticipate or evaluate business risks, especially in a volatile economic scenario. Our strategy to penetrate this sector involves understanding of market demand in construction, telecom and power sector, different market dynamics and building up in-house expertise and resources for the same. If we are unable to successfully venture into this new industry in which we plan to invest large amounts, implement strategies as planned and turn profitable in the anticipated timeframe, our business operations and financial condition may be materially and adversely affected.

- 3. We have not yet placed orders for entire plant and machinery amounting to ₹ 6,001.78 Lac, being 100% of the total cost of plant and machinery required for our proposed expansion, which exposes us to change in prices at the time of giving orders.*

We propose to acquire plant and machinery aggregating ₹ 6,001.78 Lac for our proposed expansion and have not yet placed orders for the entire ₹ 6,001.78 Lac being 100% of the total cost of plant and machinery required for setting up the proposed project. *The details of quotations received appear in the Section titled 'Objects of the Issue' beginning on page 64 of this DRHP.* We are subject to risks on account of inflation in the price of plant and machinery for which orders have not been placed, which in turn may inflate our input costs and thus adversely affecting our financial condition. Our Company has received quotations for these machineries, and negotiations with the vendors have commenced. The purchase of plant and machinery would require us to consider factors including but not limited to pricing, delivery schedule and after-sales maintenance. There may also be a possibility of delay at the suppliers' end or due to any other reason whatsoever in providing timely delivery of these machineries, which in turn may delay the implementation of the proposed project.

- 4. The implementation of the Proposed Project is at a very preliminary stage. The schedule of implementation may be delayed and as a result thereof, we may face operational delays. This may have an adverse effect on our business operations and our return on investments.*

As per the proposed schedule of implementation, the commercial production pursuant to the expansion of existing manufacturing unit at Silvassa and setting-up of new manufacturing unit near Pune is scheduled to commence in January, 2013 and is subject to delays and other risks, including, among other things, contractor performance shortfalls, unforeseen engineering or technical problems, delays in procuring 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 Proposed Project. 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

5. ***We intend to utilize ₹ 7,232.68 Lac out of the Issue Proceeds towards setting up of units near Pune. However, we have not, as of the date of this DRHP, identified land or obtained various approvals required for the units.***

We intend to use ₹ 7,232.68 Lac out of the Issue Proceeds to set up our manufacturing unit near Pune. For use of Proceeds, see the Chapter on “*Objects of the Issue*” on page 64. Furthermore, we have not, as of the date of this DRHP, identified or acquired any land for setting up the manufacturing unit proposed to be financed out of the Issue Proceeds. As on the date of filing this DRHP, we have not made any provisions for acquisition of alternate land in or around the proposed location. Thus, we may not be able to acquire the required area of industrial land in the proposed location due to its unavailability.

We also require environmental clearances and other statutory approvals for setting up and commencing operation of the manufacturing unit. There can be no assurance that these approvals will be obtained within the scheduled time anticipated by us, or at all. Any delay or inability in obtaining these approvals could have a material adverse effect on our ability to develop the manufacturing unit as planned, and in turn affect our financial condition and business prospects.

Further, we may be unable to hire necessary manpower for the facilities and may be subject to labour unrest in the future. In addition, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for employee removal and dispute resolution and imposes financial obligations on employers upon employee layoffs which may adversely affect our business and profitability.

Any delays in the implementation of the setting of the manufacturing units, cost overruns, changes or lack of demand for our products or for other reasons, we may not achieve the economic benefits expected of the manufacturing units and our failure to obtain expected economic benefits from the same could adversely affect our business, financial condition and results of operations.

6. ***Some of the equipments that our Company intends to deploy are expected to be imported and are to be paid for in the foreign currency. Fluctuations in foreign exchange rates may adversely affect the cost of project.***

Out of the total plant and machinery of ₹ 6,001.78 Lac, the import component is about ₹ 127.85 Lac for which orders are yet to be placed. We have got quotations for the same and are in the process of negotiating and finalising the terms on which the same are to be acquired. We cannot assure that these equipments will be acquired on the same terms, as anticipated. Any changes in the prices of the said equipments or fluctuations in foreign exchange rates adversely affecting the value of the Rupee, may affect the cost of setting up of the manufacturing plant.

7. ***Our funding requirements and proposed deployment of the Net Proceeds of the Issue are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and the proposed deployment of the Net Proceeds of the Issue are based on management estimates, current quotations from suppliers and our current business plan and have not been appraised by an independent entity. Furthermore, in the absence of such an independent appraisal, or the

requirement for us to appoint a monitoring agency pursuant to the ICDR Regulations, the deployment of the Net Proceeds is at our discretion.

We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations, exchange rates or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board. Further, current quotations from suppliers are only valid for limited periods and there can be no assurance that we will be able to obtain new quotations from these or other suppliers on the same terms.

8. *Exports constitute majority of our revenues. Any slump in the global markets or a change in the Government Policy with respect to import and export of copper and its products may adversely affect our business operations and financial conditions of our Company.*

Our majority of the business and revenues are from the export markets. About 55% of our revenues flow from global markets. Therefore, any major downturn or recessionary cycle in the global markets may severely affect our revenue and sales turnover thereby leading to higher inventory levels and working capital blockage. Further, any change in the Government policy with respect to import or export of copper and its products, may adversely affect our sales turnover, business operations and the financial condition of our Company.

9. *We depend on the adequate and timely supply of raw materials at reasonable prices. Any delay in procuring requisite raw materials at suitable prices could affect our business operations*

Copper rods costs constitute significant part of our operating expenses which are major raw materials used by us in our manufacturing process. Material consumption costs, which primarily consists of copper, has constituted 96.30%, 89.35% and 89.10%, of our income from sale of products manufactured by us for FY 2011, 2010 and 2009 respectively.

Our business is significantly affected by the availability, cost and quality of the raw materials which we need for manufacturing of our products. The prices and supply of raw materials depend on factors not under our control, including domestic and international general economic conditions, competition, and availability of quality suppliers, production levels, transportation costs and import duties. If, for any reason, our primary suppliers of raw materials should curtail or discontinue the delivery of such materials to us in the quantities we need or provide us with raw materials that do not meet our specifications or at prices that are not competitive for us, this could impair our ability to meet our material requirements for the business of the Company, and our results of operations and business could suffer.

We procure substantial quantity of copper rods, which constitute a majority of our raw material, from international suppliers. Further we do not have any tie - ups/firm arrangements with our vendors for the supply of our raw material. In the event vendors discontinue supply or fail to adhere to our technical specifications, quality requirements and delivery schedules for any reason whatsoever, we may have temporary stoppages of production till alternate arrangements are made. Such temporary stoppages may affect our business and profitability. There can be no assurance that we will be in a position to procure from an alternate supplier in a timely or cost efficient manner

10. *Our Company has been experiencing negative cash flow from operating activities for the last 4 (four) financial years.*

Our Company has been experiencing negative cash flows for last 4 (four) financial years, primarily due to extended credit period in export sales. The amount of cash flow from operating activities for last 4 (four) years is as follows: -

Sr. No.	Financial Year	Amount of Cash Flow from operating activities (₹ in Lacs)
1.	2010 – 2011	(4,995.87)
2.	2009 – 2010	(210.68)
3.	2008 – 2009	(913.79)
4.	2007 – 2008	(909.07)

11. *The Company takes advantage of certain tax benefits and other financial incentives, which if withdrawn, may adversely affect its financial condition and results of operations.*

Our Company is entitled to certain benefits and financial incentives under Income Tax Act, 1961/ VAT/Sales Tax. In the event the said benefits are no longer available to the Company due to any change in the regulatory framework, the effective tax rates payable by us will increase and consequently our financial condition may be affected. *For further details please refer to the Section titled “Statement of Tax Benefits” on page no. 85.*

12. *Exchange rate fluctuations may adversely affect the Company’s financial performance.*

Since, exports constitute about 55% of our sales turnover, our Company is exposed to foreign exchange rate risks primarily in relation to the export of products whereby an appreciation of the INR against U.S. Dollars and other currencies could adversely impact receivables. Accordingly, adverse movements in foreign exchange rates may increase procurement costs and adversely affect the Company’s results of operations. While our Company has been hedging itself against the currency fluctuations in order to appropriately mitigate risks, which we believe is adequate to protect the Company from such fluctuations, there can be no assurance that the risks arising out of the same can be fully mitigated.

13. *The logo used by our Company is licensed by our Promoter, Mr. Anil Satpute and the same is not registered.*

The logo used by our Company is not owned by us and the same licensed to us by our Promoter, Mr. Anil Satpute by a license agreement. In the event, he terminates the license agreement, our Company may not be able to legally use the said logo and the usage of the same would amount to infringement. This may affect the brand recognition of our Company in domestic as well as global markets and in turn affect the sales turnover and business of our Company. *For terms and condition, please refer to the paragraph on “Other Agreements” on page no 140 of this DRHP.*

14. *Volatile prices of copper may adversely affect the profitability of our Company*

Over last few years, the copper prices in the international as well as domestic markets have been volatile and fluctuating. Since copper is the major raw material for our Company, we have hedged ourselves against its price fluctuations. Although, we believe that we have been adequately protected against such fluctuations, we cannot assure that such protection would be adequate for all times to come. In the event of major fluctuations of the prices of copper, it may inflate our input costs and inturn adversely affect our profit margins. This may materially affect our results of operations and financial condition of our Company

15. *We may not have complied with certain provisions of the Companies Act, 1956. Pursuant to such non-compliance, we may be subjected to penal consequences.*

We may not have complied with certain provisions of the Companies Act, 1956 including Section 297, pertaining to the transactions between our Company and our Directors and their related entities. We may face penal consequences pursuant to the same. The amount of penalty cannot be ascertained and therefore, if the RoC levies a high amount of penalty, it may adversely affect our financial condition and consequently, our business operations.

16. One of our manufacturing facilities located at Parwanoo, Himachal Pradesh and certain residential premises there are obtained on leasehold basis and the Lease Agreement pertaining to the same is not duly registered.

Our Company has set-up 2 (two) manufacturing facilities on land bearing Khasra Nos. 753 and Khasra No. 372/1 at Parwanoo, Himachal Pradesh, which are acquired on leasehold basis by our Company. The lease agreement entered into by the Company with respect to the Khasra No. 372/1 is neither registered nor adequately stamped. Further, our Company has also taken on rent certain residential premises at Parwanoo, Himachal Pradesh for its employees. The rent agreement for the same is neither registered. *For further details of our Immovable Properties, please see the heading "Property" in the chapter "Business Overview" on page no. 107.*

17. The land on which our existing manufacturing facilities are erected have been acquired on leasehold basis. Our rights concerning the said property are limited as per the lease agreements. In the event we are unable to renew the lease agreements, or if such agreements are terminated, we may suffer a disruption in our operations.

Our manufacturing facilities located at Kurkumbh (Pune) and Parwanoo (Himachal Pradesh) have been acquired on lease subject to certain terms and conditions contained in the said lease agreements. *For further details of our Immovable Properties, please see the heading "Property" in the chapter "Business Overview" on page no.107.* The term of these agreements may or may not be renewed. In the event the lessors terminate or do not renew the lease on commercially acceptable terms, or at all and we are required to vacate the properties, in such an event, we may be compelled to identify alternative properties and enter into fresh leases. Such a situation could result in loss of business and may adversely affect our operations and profitability.

18. We propose to procure lease of a portion of land originally allotted to Shavira Steels Private Limited, a group company, by MIDC.

Our Company has entered into tripartite agreement dated June 30, 2011 with MIDC and Shavira Steels Private Limited for a portion of land at Kurkumbh, Pune adjacent to existing unit at Kurkumbh. Under the said tripartite agreement, MIDC has agreed to grant a lease in our favour on compliance of certain terms and conditions specified therein. The said land was originally allotted to Shavira Steels Private Limited, however, no formal lease agreement was executed in its favour. Our promoters presently hold the entire paid up equity share capital of Shavira Steels Private Limited. *For further details, please see the Chapter on "Our Management" appearing on page 141.*

19. Our Company does not currently own the premises at which its Registered Office is located.

We have entered into leave and license agreement for our Registered Office located at CTS No. 712/A, Survey No 140, Flat No.2, Prachi residency, Bhelkenagar, Kothrud, Pune with Mrs. Kanchan Satpute and pay rent for the occupation of the said premises. The license may be renewed subject to the consent of the licensor. In the event that the licensor requires us to vacate the premises, we will have to seek a new premises at short notice and for a price that may be higher than what we are currently paying, which may affect our ability to conduct our business or increase our operating costs. *For further details please see the heading 'Property' in the section titled "Business Overview" on page no. 107 of this DRHP.*

20. Pending Government / Statutory Approvals and Licenses

Our Company has made applications to regulatory authorities for grant of the following Government/Statutory approvals and licenses but the same has not been issued to us till date:-

Sr. No.	Nature of Registration/ License	Unit	Date of Application	Issuing Authority
1.	License to work a factory	Silvassa	July 19, 2011	Directorate of Industries
2.	License to operate a unit	Silvassa	July 19, 2011	Directorate of Industries
3.	License to work a factory (renewal)	Parwanoo Unit - II	October 21, 2010	Labour Department, Government of Himachal Pradesh

21. If the Company is not able to procure or renew or maintain its statutory and regulatory registrations and approvals required to operate its business, it may have a material adverse effect on its business.

Our Company requires certain statutory and regulatory licenses/registrations/approvals to operate its business. While, we believe we have procured all the necessary licenses/registrations/approvals, there cannot be any assurance that the same are adequate for legal compliance or that we have complied all the applicable laws. Further, as regards our existing licenses/approvals/registrations, we may be required to renew them in the future and obtain new licenses/approvals/registrations for any proposed operations, including any expansion of existing operations. While our Company believes that it will be able to renew or obtain such licenses/approvals/registrations as and when required, there can be no assurance that the relevant authorities will renew or issue any such licenses/approvals/registrations in the time-frame anticipated by the Company or at all. If the Company is unable to procure, renew, maintain or obtain the required licenses/approvals/registrations, it may result in the interruption of the Company's operations and may have a material adverse effect on its revenues and operations.

22. Our Promoters have given personal guarantees in relation to certain debt facilities provided to us.

Our Promoters have given personal guarantees in relation to all our secured debt facilities. In the event our Promoters withdraw or terminate their guarantee, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition.

23. The conditions and restrictions imposed by our lenders could restrict our ability to expand our business and operations.

As on March 31, 2011 we have availed an aggregate of ₹ 7,981.86 Lac as secured loans from a consortium of the State Bank of India, Dhanalaxmi Bank Limited and Yes Bank Limited and certain other lenders. Most of our loans are secured by way of mortgage of fixed assets and hypothecation of current assets both present and future. In case we are not able to pay our dues in time and the abovementioned security documents are enforced, the same could adversely impact our operations. In addition to the above, our financing arrangements also include conditions and covenants that require us to obtain consents of our lenders prior to carrying out certain activities in the course of our business. Failure to obtain such consents can have significant consequences on our capacity to expand and therefore adversely affect our business and operations. We cannot assure you that we have received all consents from our lenders that are required by our financing documents. As a result, it is possible that a lender could assert that we have not complied with all terms under our existing financing documents. Further, any failure to comply with the requirement to obtain a consent of our lenders, or other condition or covenant under our financing agreements that is not waived by them or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of payment of all amounts due under such facilities, payment of penalties and may adversely affect our financial condition and consequently the ability to conduct our business and operations or implement our business plans.

24. *Some of our Directors hold substantial Equity Shares in our Company and may be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.*

Our Directors, Mr. Anil Satpute and Mr. Anand Satpute hold substantial Equity Shares in our Company and will continue to do so, post-issue. By virtue of their shareholding, they may be interested in the dividends that may be paid out, the bonus issues, the rights issues, etc., which may be granted by our Company to the persons holding Equity Shares of the Company. *For further details, see the section “Capital Structure” beginning on page 52 of this DRHP.*

25. *We have issued Equity Shares during the last 1 (one) year at a price that may be below the Issue Price.*

We have in the last twelve months prior to filing this DRHP, issued equity shares at a price that could be lower than the Issue Price. The price at which the Equity Shares have been issued in the last 1 (one) year is not indicative of the price at which they will be issued or traded. *For further details regarding such issuances of equity shares, see “Capital Structure” on page 52.*

26. *We may have certain contingent liabilities and capital commitments not provided for. Crystallization of any of these liabilities could affect our financials.*

Our contingent liabilities as of March 31, 2011 not provided for (as disclosed in our financial statements) are detailed in the following table:

Particulars	Amount (In ₹ Lacs)
Letters of Credit	4660.40
Bank Guarantee / Bank Guarantee Bonds	343.55
Total	5003.95

In addition to the above, certain liability may arise in future under the Income Tax Act. *For further details with respect to the Income Tax proceedings, please see the chapter on “Outstanding Litigations, Material Developments and Other Disclosures appearing on page. 214.*

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

Our Company has entered into certain related-party transactions with its Promoters. While we believe that all such transactions have been conducted on an arms-length basis and contain commercial terms, there can be no assurance that our Company could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. *Please see page 195 of this DRHP for further details on the Related Party Transactions of the Company.*

28. *Certain unsecured loans availed by the Company may be recalled by our lenders at any time which may affect our business and financial conditions adversely.*

Of the total unsecured loans amounting to ₹ 2,678.37 Lac, outstanding as on March 31, 2011, availed by our Company, out of which ₹ 2,618.01 Lac may be recalled by the lenders at any time. Any failure to service our indebtedness, maintain the required security interests, comply with a requirement to obtain a consent or otherwise perform our obligations under our financing agreements could lead to a termination of one or more of our credit facilities, trigger cross default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations

29. *We have been extending credit period to our customers. We cannot assure that our customers will make timely payment to us or at all*

We extend credit to our customers – both domestic and overseas – based on market requirements, our client relationships and our assessment of the credit-worthiness of the customer. Although we have been generally receiving payments from our clients as per the terms of supply, there can be no assurance of the same in future. If a client delays or defaults in making its payment, it would affect our profitability and liquidity and decrease the resources that are otherwise available for other uses. There can be no assurance that the payments will be remitted by our customers to us on a timely basis at all times.

30. Our Promoters and Promoter Group will continue to retain majority control over the Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval.

Upon completion of the Issue our Promoters and Promoter Group will own [●] % of the post-Issue Equity Share capital. As a result, the Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of Directors and approval of significant corporate transactions. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

31. Our success depends upon our Promoter Directors and the Key Managerial Personnel. Disassociation of our Promoter Directors or any failure to retain such key managerial personnel could have an adverse impact on our business, financial conditions and results of operations.

Currently, we depend heavily on the Promoter Directors and the Key Managerial Personnel to implement our business strategy and carry out our operations. If our Promoter Directors disassociate or any of our key managerial personnel resign or discontinue their services and are not adequately replaced, our business operations and the implementation of our business strategy could be materially and adversely affected. Competition for management and industry experts in the industry is intense. Our future performance depends on our ability to identify, hire and retain key technical, support, engineers, and other qualified personnel. Failure to attract and retain such personnel could have a material adverse impact on our business, financial condition and results of operations.

32. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our existing or proposed products which in turn could adversely affect the value of our brand, and our sales could diminish if we are associated with negative publicity.

Any defect in our existing or proposed products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. Although we attempt to maintain high quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our Company, brand, products or services, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products or services, or any other unforeseen events could affect our reputation and hence our business, adversely.

33. Environmental and safety regulations impose additional costs and may affect the Company's results of operations.

Our Company, like other manufacturers, is subject to various central, state and local environmental and safety laws, concerning issues such as harm caused by air or wastewater emissions, solid and hazardous waste handling and disposal, and the investigation and remediation of contamination. While the Company believes that its manufacturing units is currently in compliance in all material respects with applicable environmental laws and regulations, additional costs and liabilities related to compliance with these laws and regulations are an inherent part of our Company's business. Further, while our Company currently intends to continue to comply with applicable environmental legislation and regulatory requirements, any changes in the applicable laws and regulations in the future may create substantial environmental compliance or remediation liabilities and costs, including monetary fines, criminal penalties on our Company, its officers for violation of applicable laws, or imposition of restrictions on our Company's operations (which may include temporary suspension or closure of its operations). Our Company may also, in the future, become involved in legal or regulatory proceedings, in

relation to which it may be required to comply with more rigorous environmental or safety standards, or to incur significant capital and operating expenses and/or remedial and penal costs. These factors may adversely affect the Company's funds and operations.

34. *Our Company's insurance coverage may not adequately protect it against certain operating hazards and natural disasters and this may have a material adverse effect on its business.*

Our Company's insurance policies currently do not provide for adequate coverage for plant, office premises, factories, employees, buildings, stockyards, building and machinery for risks relating to fire, natural calamities, riots and strikes, and export import insurance policies. Our Company does not maintain business interruption insurance or insurance over its inventory of raw materials. Its facilities are also vulnerable to natural disasters. Due to lack of insurance of the factories, employees, buildings, stockyards, office premises any operating hazards or natural disasters might have an adverse material effect on the financial position of the Company.

35. *Our revenues and profits are difficult to predict and can vary significantly from period to period, which may impact our ability to pay dividend and which could cause the price of our Equity Shares to fluctuate.*

Our revenues are dependent on factors such as the production being undertaken in the relevant accounting period, the extent to which performance milestones have been reached in any of these productions and general market conditions. In addition, the anticipated completion dates for production, including those set forth herein, are estimates based on current expectations and could change significantly, thereby affecting timing of revenue generation. The combination of these factors may result in significant variations in revenues and profits and as a result period-to-period results may not be comparable and should not be relied upon as indicative of future performance. Any significant shortfall in revenue from the production may have a material adverse effect on its business, operating results and financial condition.

36. *Our continued operations are critical to our business and any shutdown of our manufacturing units may have a material adverse effect on our business and financial results.*

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products and hence the continuity of our operations is critical to our business. Any disruption to our operations due to breakdown, fire, natural calamity, etc. may adversely affect our business operations and our financial condition. Further, any insurance cover we have may not be adequate to indemnify our Company for our losses entirely.

37. *Delays or defaults in client payments could result in a reduction of our profits.*

We regularly commit resources to orders prior to receiving trade advances or other payments from clients in amounts sufficient to cover expenditures on orders as they are incurred. We may be subject to working capital shortages due to delays or defaults in client payments. If clients default in their payments on an order to which we have devoted significant resources or if a project in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

38. *We have made certain investments in the shares of Co-operative Banks and in units of a Mutual Fund. The value of such investments may decline and we have not provided for the same in our books of accounts.*

We have made certain investments in the shares of Co-operative Banks and in units of a Mutual Fund amounting to ₹ 170 Lac. There can be no assurance that the value of our investments will appreciate in future. We have not made any provision in our books of accounts for decline in value of the same. In the event, the value declines, it may adversely affect our financial condition.

EXTERNAL RISK FACTORS

39. A slowdown in economic growth in India could cause the Company's business to suffer.

Majority of the Company's operations are located in India and its business operations and performance are dependent on the overall economy, the gross domestic product growth rate and the economic cycle in India. Additionally, the Company's products are focused on the automotive sector in India and its business is therefore significantly dependent on the performance of the automotive sector in India. The Indian economy and the automotive sector in particular could be adversely affected by a number of factors. Any slowdown in the Indian economy or volatility in global commodity prices, in particular steel prices, could adversely affect the Indian economy. The Indian economy could also be adversely affected by a general rise in interest rates, inflation rates and unfavorable weather conditions adversely affecting agriculture. A slowdown in the Indian economy or the automotive sector could adversely affect the Company's business and results of operations.

40. Political instability and significant changes in the Government's policy on liberalization of the Indian economy could impact the Company's financial results and prospects.

The role of the Indian central and state governments in the Indian economy and their effect on producers, consumers and regulators has remained significant over the years. Since 1991, successive governments of India have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. However, there is no assurance that these liberalisation policies and the political stability will continue in the future. The rate of economic liberalisation could change, and laws and policies affecting the automotive component manufacturers, foreign investment and other matters affecting investment in the Company's securities could change as well. Any significant change in liberalisation and deregulation policies could adversely affect business and economic conditions in India generally and the Company's business and results of operations and the market for the Equity Shares in particular.

41. Any increase in interest rates due to the factors beyond the control of our Company may affect our business operations and financial conditions.

We have not entered into any swap or interest rate hedging transactions in connection with our loan agreements. Any increase in interest expense due to factors beyond our control such as Governmental, monetary and tax policies and domestic and international economic and political conditions may affect our business operations and financial condition.

42. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and the Company's business.

India has witnessed localized civil disturbances in recent years and any future civil unrest or other acts of violence or war may adversely affect the global equity markets and economic growth. These acts may result in a loss of business confidence, make travel, transport, communications and other services more difficult and have other consequences that may have an adverse effect on the Company's business, results of operations and financial condition. Any deterioration in international relations may result in investor concern regarding regional stability, which could adversely affect the market for the Equity Shares.

43. Natural calamities may have a negative impact on the Indian economy and harm the Company's business.

India has experienced natural calamities in recent years, including earthquakes, floods, drought and a tsunami. The severity and duration of these natural disasters or abnormal weather conditions determines their impact on the Indian economy. Such natural calamities may have an adverse impact on the Indian economy, which could in turn adversely affect the Company's business and the market for the Equity Shares.

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

Under the SEBI ICDR Regulations, companies are required to allot equity shares within 12 (twelve) Working Days of the closure of the public issue. Consequently, the Equity Shares you purchase in this Issue may not be credited to your book or demat account with Depository Participants within 12 Working Days of closure of the Issue. You can start trading in the Equity Shares only after they have been credited to your demat account and listing and trading permissions are received from the Stock Exchanges. Further, there can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity shares will commence within the specified time periods.

45. There is no existing market for the Equity Shares, and the price of the Equity Shares may be volatile and fluctuate significantly in response to various factors.

An active market for the Equity Shares may not develop or be sustained after the Issue. The market price of the Equity Shares may fluctuate significantly due to factors beyond the Company's control, including volatility in the Indian and global securities markets; external factors affecting its operating results, including the risks outlined in this section; investor perceptions of the Company's future performance; changes in factors affecting general market valuations of companies in the steel service industry, automotive components manufacturing industry, including changes in the price of steel and oil; changes in interest rates; announcements by the Company or others of significant technological developments, contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments; heavy and consistent selling by foreign funds in Indian stock markets, political developments or other governmental action or regulation in India or other countries; any attack or threat to the security of the State and additions or departures of key personnel. In addition, BSE or NSE may experience significant price and/or volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. There is a risk that you will not be able to sell your Equity Shares at a price equal to or above the Issue Price.

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

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

47. There can be no assurance that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges 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 NSE.

Prominent Notes:

1. The net worth of our Company was ₹ 6,926.04 Lac as of March 31, 2011 as per our restated financial statements. The book value of each Equity Share was ₹ 35.02 as of March 31, 2011 as per our restated financial statements. *For more information, see the section “Financial Information” beginning on page no.161 of this DRHP*
2. Issue of [●] Equity Shares of the face value ₹ 10/- each at a price of ₹ [●] per Equity Share for cash at a premium aggregating ₹ 12,500 Lac.
3. The average cost of acquisition of the Equity Shares by our Promoters is as follows: -

Sr. No.	Name of the Promoter	Average Cost of Acquisition (₹)
1	Mr. Anand Satpute	12.66
2	Mr. Anil Satpute	9.3

The abovementioned 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 chapter titled “Capital Structure” beginning on page no. 52 of this DRHP.*

4. Based on our restated financial statements, the net asset value per equity share having a face value of ₹ 10/- each was ₹ 35.02 as of March 31, 2011
5. For details of transactions between our Company and our Group Companies or Subsidiaries, see the chapter titled “Auditors Report - Related Party Transactions” beginning on page no. 195 of this DRHP.
6. Our Company was incorporated on September 26, 1990 under the provisions of the Companies Act, 1956 as Duplex Wires Private Limited in Maharashtra. Pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on May 16, 2011 and the approval of the Central Government dated May 23, 2011, the name of our Company was changed to Duplex Industries Private Limited. Further, a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on June 7, 2011, our Company was converted into a public limited company and consequently the name of our Company was changed to Duplex Industries Limited. *For details with respect to the same, see the chapter “History and Other Corporate Matters” beginning on page no. 138 of this DRHP.*
7. For details of transactions in the securities of our Company by our Promoter, Promoter Group, Directors of our Company and their relatives, directors of our Promoters in the last 6 (six) months, see the notes to the chapter “Capital Structure” on page no. 52 of this DRHP.
8. Except as disclosed in this DRHP, none of the Directors have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding. Further, the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by them with any company in which they hold directorships or any partnership firm in which they are partners.
9. For details on securities issued for a consideration other than cash, see the notes to the chapter “Capital Structure” on page no.52 of this DRHP.
10. Investors may contact the BRLM, the Registrar or the Compliance Officer, for any complaints pertaining to the Issue.

11. 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 6 (six) months immediately preceding the date of this DRHP.
12. Our Group Companies does not have any business interests or other interests in our Company.
13. Trading in Equity Shares of our Company for all the investors shall be in dematerialized form only.

SECTION IV – INTRODUCTION

SUMMARY OF INDUSTRY

The Indian economy witnessed a swift recovery in 2009-10. The global economic slowdown had affected the Indian economy and GDP growth moderated to 6.8% in 2008-09 compared to an average of 9.5% in the preceding three years. The impact of global slowdown was more intense on industry, particularly the manufacturing sector. The fiscal and monetary policy interventions, however, provided the stimulus to the economy, leading to a recovery in the GDP growth to 8.0% in 2009-10 and 8.6% in 2010-11. The industrial and manufacturing sectors emerged as the key drivers in this revival.

The growth of Gross Domestic Product (GDP) at factor cost is estimated at 8.6 percent in 2010-11, with agriculture & allied activities growing at 5.4 per cent, industry at 8.1 per cent and services at 9.6 per cent. The corresponding growth in GDP in 2009-10 was 8.0 per cent, with agriculture and allied sector, industry and services growing at 0.4, 8.0 and 10.1 per cent, respectively. (*Source: Ministry of Finance, Annual Report 2010-11*)

A wide range of wires and cables are manufactured in the country which includes communication cables such as jelly filled telephone cables, optic fibre cables, local area network cables, switchboard cables, co-axial cables, VSAT cables, electrical cables such as electrical wires, winding wires, automotive/ battery cables, UPS cables, flexible wires, low voltage power cables and EHT power cables. The power cable industry may be mainly divided into four segments viz; house wiring (up to 440V), LT (1.1 to 3.3kV), HT (11 to 66kV), EHV (66kV and above). (*Source: Ministry of Commerce & Industry, Annual Report 2010-11*)

With infrastructure receiving priority attention from the Govt. of India, construction, power and telecom sector are fast developing. This will give a boost to wire and cable industries in near future. In 2009-10, the non-SSI sector has reported production of insulated cable & wires of all kinds 96.50 lakh core kms and in the year 2010-11 (April-December) the production was reported at 93.35 lakh core Kms. India exported wires and cables (HS code. 7413 & 8544) of value around ₹ 2409.91 crore in 2008-09 against import of around ₹ 3965.52 crore during the same period. During the year 2009-2010 the export was around ₹ 1,636.83 crore against import of ₹ 3276.80 crore during the same period. During the year 2010-11 (April-June) the export was ₹ 405.58 crore against the import of ₹ 690.10 crore during the same period. The industry is de-licensed and is eligible for automatic approval for Foreign Direct Investment up to 100%. (*Source: Ministry of Commerce & Industry, Annual Report 2010-11*)

Global Copper Industry

Copper is a malleable and ductile metallic element that is an excellent conductor of heat and electricity as well as being corrosion resistant and antimicrobial. Copper occurs naturally in the Earth's crust in a variety of forms. It can be found in sulfide deposits (as chalcopyrite, bornite, chalcocite, covellite), in carbonate deposits (as azurite and malachite), in silicate deposits (as chrysocolla and diopside) and as pure "native" copper.

Copper Production

Copper Mine Production

The Copper mine production in 2009 reached over 15.7 million tonnes, globally. The largest producer in the world of mined copper was Chile (nearly 5.4 million tonnes)

Copper Smelter Production

Copper Smelter production in 2009 reached over 14.5 millions. China was the largest producer of blister and anode in 2009 (over 3.4 million tonnes)

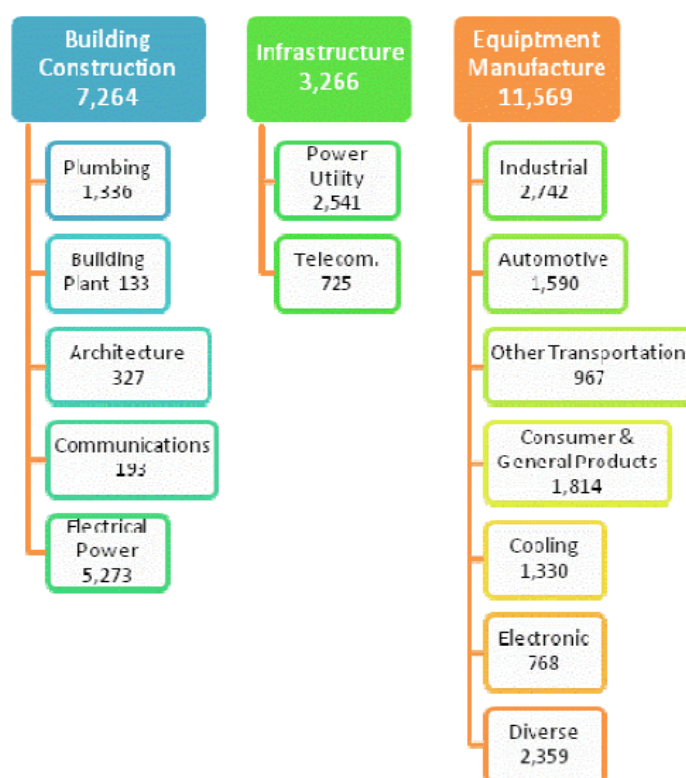
Smelting is the pyrometallurgical process used to produce copper metal. In 2009, world copper smelter production reached 14.5 million tonnes. Recently, the trend to recover copper directly from ores through leaching processes has been on the increase. Primary smelters use mine concentrates as their main source of feed (although some use copper scrap as well). Secondary copper smelters use copper scrap as their feed.

Copper Refinery Production

Refinery production in 2009 increased to 18.4 million tonnes, including 2.9 million tonnes of secondary refined production.

With the emergence of solvent extraction-electrowinning (SX-EW) technology, refined copper produced from leaching ores has been on the rise, increasing from less than 1% of world refined copper production in the late 1960's to 18% of world output in 2009.

Major Use of Copper: Usage by End-Use Sector, 2009 (thousand metric tonnes)



(Source: ICSG, "The World Copper Factbook" 2010)

Copper Trade

Copper products across the value chain are traded internationally. Often, countries where upstream copper production capacity exceeds downstream production capacity will import the raw materials needed to meet their production needs, and vice versa. Major product categories of copper traded internationally include:

- Copper concentrates
- Copper blister and anode
- Copper cathode and ingots
- Copper scrap and
- Copper semis

Global Copper Market

Three commodity exchanges provide the facilities to trade copper: The London Metal Exchange (LME), the Commodity Exchange Division of the New York Mercantile Exchange (COMEX/NYMEX) and the Shanghai Metal Exchange (SHME). In these exchanges, prices are settled by bid and offer, reflecting the market's perception of supply and demand of a commodity on a particular day. On the LME, copper is traded in 25 tonne lots and quoted in US dollars per tonne; on COMEX, copper is traded in lots of 25,000 pounds and quoted in US cents per pound; and on the SHME, copper is traded in lots of 5 tonnes and quoted in Renminbi per tonne. More recently, mini contracts of smaller lots sizes have been introduced at the exchanges.

Indian Copper Market

Copper consumption in a country is one of the indicators of its level of economic development. Per capita consumption in India is in the order of 0.50 Kg as compared to 10 Kg in developed nations. The known mineral resources for copper within the country are few with low grades of copper with the average metal content being in the region of a mere 1% and the precious metal content being very low.

During 2008-09 and 2009-10, total domestic refined copper usage was approximately 538,000 tonnes and 550,000 tonnes respectively, whereas, total world refined copper usage was 18,056,000 tonnes in 2008 and 18,189,000 tonnes (provisional) in 2009. Though the current global economic crisis has significantly reduced world refined copper usage levels. International Copper Study Group (ICSG) expects world apparent refined usage in 2010 to increase by about 3.8% from that in 2009. However, the production and consumption of refined copper in 2010- 11 would depend on the growth of the economy and LME price.

Electrical, Electronics and Telecommunications sectors account for nearly 52% of copper usage in India. The demand again is primarily from the telecom, power and infrastructural sector. There has been substantial reduction in demand of copper in telecom sector with increased application of fibre optic cables and fast penetration of wireless communication through cell phones, Wireless in Local Loop and Direct to Home (DTH) Telecasting. In the household wiring sector, despite many advantages of using copper conductors, aluminum conductors are widely used. The trend, however, has started reversing and increased usage of copper in this sector is perceptible. But unfortunately, in place of cables and wirings made from high grade electrolytic tough pitch copper, applications are mostly of cables and wirings made from "Scrap recycled" (commercial copper) resulting in substantial electrical energy loss to the country without counting indirect losses and other costs due to failure of these wirings. Usage of copper in building construction, as prevalent in Western World, is slowly making inroads into the country, mainly in metro cities and industrial projects.

The production of copper concentrate was at 124 thousand tonnes in 2009-10 which got decreased by about 9.48% as compared to the previous year. Average metal content in copper concentrate was 22.9% Cu. (Copper)

(Source: the Ministry of Mines, GoI, Annual Report 2010-11)

Copper Price

Customs duty on imported copper had been reduced in phases from 35% in 2002-03 to 5% at present leading to a steep reduction in price, which, in turn, affected the profitability of domestic copper manufacturer.

The domestic price of copper is linked to London Metal Exchange (LME) price. The LME Cash Settlement Price (CSP) is the basis on which prices of copper products are declared by domestic producer. The copper industry was adversely affected due to drastic fall in LME price in the year 2008-09 along with the economic slowdown in general. Along with the drop in LME copper price, TCRC (Treatment and Refining Charges) were also unfavourable. This situation affected Indian copper producers in general. Till December'10, the LME average price of copper for the year 2010-11 has improved to US\$ 7636 from the yearly average LME price of US\$ 5864 in 2008-09 and US\$ 6101 in 2009-10.

Year	Average LME price of Copper (US\$ per ton)
2000-2001	1806
2001-2002	1527
2002-2003	1586
2003-2004	2046
2004-2005	3000
2005-2006	4097
2006-2007	6970
2007-2008	7584
2008-2009	5864
2009-2010	6101
2010-2011 (upto December 2011)	7636

(Source: The Ministry of Finance, GoI, Annual Report 2010-11)

CABLE INDUSTRY IN INDIA

Industry is fully established for all types of cables from 1.1KV and developing for EHV cables upto 220kV.

Few manufacturers currently manufacture cables up to 220kV grade, whereas a larger number of manufacturers manufacture medium voltage cables up to 33kV, besides LV cables. Considering the strong domestic demand for cables in the power sector, overseas cable manufacturing giants have entered into market through joint ventures with Indian cable manufacturers; for manufacturing EHV cables and special types of cables.

Cable sector overall saw a rise in demand of 16%; mostly driven by control cables which saw a growth of 32%. The demand from power generation units is on rise. LV and EHV power cables witnessed a steady growth of about 10%. Indian Cable manufacturers are exporting the LV & HV cables to Middle East, Far East, South African countries and South American countries.

(Source: Indian Electrical & Electronics Manufacturers Association)

CLASSIFICATION AND APPLICATION OF CABLES

Cable market is largely divided into two types of users: Industrial and Domestic. The Industrial users mainly comprise of Power, Communication, Cement, Steel, Railways & Petro-Chemicals sectors. Most of their demand is addressed by the organized sector.

Amongst the industrial users, wires and cables mainly find application in three sectors: power, industrial and telecommunication. Power cables are segregated into high, medium and low tension cables. Industrial cables include control and instrumentation, LT cables, HT cables and specialty cables whereas telecom cables are classified as high capacity cables (Optical Fibre Cables -OFCS) and low capacity cables (Jelly Filled Telecom Cables - JFTCS).

Low tension cables have a capacity of up to 1.1 KV and are used for tertiary distribution of power mainly from substation to buildings. It also includes housing wires. This sector contains many other products for myriad applications. The medium tension power cables are between 1.1 KV and 11 KV. The high tension sector is beyond 11 KV. Medium tension and high tension power cables are mainly used for transmission and distribution of power.

USER INDUSTRY

Power Sector

Power cables play a crucial part in all the three aspects of the power sector- generation, transmission and distribution.

Telecommunication Sector

Cables are the backbone of the communication sector. The Indian cables industry offers lucrative scope for stable revenue streams to manufacturers of both power and telecom cables.

The Indian Telecommunications network with 621 million connections (as on March 2010) is the third largest in the world. The sector is growing at a speed of 45% during the recent years. This rapid growth is possible due to various proactive and positive decisions of the Government and contribution of both by the public and the private sectors (www.dot.gov.in)

Industrial Sector

Investments in the industrial sector, comprising of buildings, factories, and industrial units across various sectors such as steel, power, fertilizers, oil & refinery, aluminium, cement, mining, among others, also generates demand for power cables (both low and high tension cables).

Major Players

The Indian cable industry is highly fragmented with a very large number of cable producers. The organised players in this segment are Polycab Wires Pvt. Ltd., Finolex Cables Ltd, Diamond Power Infrastructure Limited, Delton Cables Ltd, Sterlite Optical Technologies Ltd, KEI Industries Ltd, Paramount Communications Ltd, Universal Cables Ltd and a few others.

SUMMARY OF BUSINESS

Investors should note that this is only a summary of our business and does not contain all the information that should be considered before investing in the Equity Shares. This chapter should be read with the Chapters “Risk Factors” and “Business Overview” appearing on pages 13 and 107, respectively.

Our Company manufactures copper wire products such as Bare Copper Wires, Copper Wire plated or coated with tin or silver, Tin Wire, Enamelled Copper Wire, Strips, Bunched Copper Wire and Strips and Bus Bars. Our products have widespread application in power, electrical, electronics and telecommunications segments.

Over the period of last 15 (fifteen) years, we have established our reputation and reliability in the market. Our Company based on its experience and its standards, conforms to major specifications and customer requirements. We are in a position to manufacture certain customer-specific products that have good value addition as well as technical edge enabling us to manufacture and export certain products. Our products have enabled us to achieve and maintain the ISO 9001-2000 certification since 2005. We are recognized as “Star Export House” by Ministry of Foreign Trade, Government of India for our performance in export of our products for last 2 (two) years.

Besides, catering to the domestic markets, our Company is also exporting its products to countries like U.K., Singapore, Hong Kong and Sri Lanka.

LOCATION OF OUR MANUFACTURING UNITS

Our Company has 4 (four) manufacturing units, details of which are given below: -

Manufacturing Units	Location	Products Manufactured
Kurkumbh	A-3 MIDC Kurkumbh Tal Daund, Distt Pune- 413805	Bare Copper Wire, Silver/Tin Plated Wire, Tin Wire, Bunched Copper Wire, Strips, Enamel Copper Wire.
Silvassa	S.No. 37/1/2 Gala No 2, Waghdara Khadi Road, Silvassa- 396191	Bare Copper Wire, Bus Bars, Strips.
Parwanoo – Unit I	Khasara No 372/1, Village Nariyal Nr Canter Union, Parwanoo, Dist Solan, Himachal Pradesh 173220	Bare Copper Wire, Bunched Copper Wire, Strips.
Parwanoo – Unit II	Khasara No 753-754 Sector 2, Parwanoo, Distt Solan, Himachal Pradesh-173220	Bare Copper Wire, Bunched Copper Wire.

Business Process

Potential Customer is identified based on referrals, enquiry through e-mail or past relationship after which we put forth our proposal to them. On being convinced about our products, the customer then sends us their requirement based on which quotations are prepared covering specifications of product, quantity, price etc. A final quotation is drawn up after mutual discussions and purchase order (PO) is received from the customer detailing the schedule of the requirement, based on which, material requirement is assessed and production planning is done. The processing activity then starts as per the schedule provided by the customer. The processing activity may change subject to change in the schedule of the activities of the customer. After the processing is done a quality check of the sample takes place to ensure that the standards set for the product are met with. After the product passes the quality check then goods are packed and invoice is raised. Goods are dispatched to the customers’ specified location and payment is received.

BUSINESS STRATEGY

Our Company's growth strategies over the short and medium term are based on the following factors:

(i) Strengthening of product Portfolio and manufacture of new products

It is our Company's endeavour to constantly develop new products to cater to our customer's requirements both within its product framework as well as for new products.

We are in the process of setting up new manufacturing unit in or around Pune for manufacture of wires and cables and expansion of existing unit at Silvassa. *For further details on the same, refer to the chapter titled "Objects of the Issue" on page 64 of this DRHP.* Both the units would manufacture wires and cables with varied applications and would enable us to cater to industrial, construction, power transmission and distribution industry. Our strategy to enter into cable manufacturing will further enhance our product portfolio.

(ii) Continued expansion of domestic and international markets

We seek to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost effective, technically advanced solutions to our clients. This will be a strategy that our Company will adopt in the near and middle term. About 45% of our Company's products are sold in the domestic market and about 55% in the export market. Our Company exports its products to UK, Hongkong, Singapore and Sri Lanka. Our Company will continue exploring opportunities in various countries where it can supply value added products to enhance its geographic reach.

(iii) Focus on capitalizing on the growth opportunities in the power and infrastructure sectors in India

A wide range of wires and cables are manufactured in India which includes communication cables such as jelly filled telephone cables, optic fibre cables, local area network cables, switchboard cables, co-axial cables, Very Small Aperture Terminal (VSAT) cables, electrical cables such as electrical wires, winding wires, automotive/ battery cables, Uninterrupted Power Supply cables, flexible wires, low voltage power cables and Extra High Tension Power cables. The power cable industry may be mainly divided into four segments viz; house wiring (up to 440V), Low Tension (1.1 KV to 3.3KV), High Tension (11 KV to 66 kV), Extra High Voltage (66kV and above) With infrastructure receiving priority attention from the Government of India, construction, power and telecom sectors are fast developing. This is expected to provide a fillip to wire and cable industries in near future.

(iv) Strengthen our brand value and create awareness for our products

Our Company has been marketing the products manufactured and/or distributed by us under the brand name "Duplex". We believe the brand name has steadily gained recognition among consumers which is reflected in the continued growth of our sales figures over the course of the last 3 (three) financial years. We intend to invest in developing and enhancing recognition of our brand "Duplex", through brand building efforts, communication and promotional initiatives such as advertisements in print media, hoardings, electronic media, organizing events, participation in industry events, public relations and investor relations efforts. This will help us to maintain and improve our global and local reach. We seek to capitalise and expand in the organized space of the copper wire products industry, in this environment and consequently, we believe it is essential for us to invest in strengthening our existing brand and to develop new brands in order to capitalize on our existing position in the market

OUR PRINCIPAL PRODUCTS

1. Bare Copper Wire

We manufacture Bare Copper Wires from 0.15mm to 6mm diameter and can provide it in customized form and packaging as per customer needs. The Bare Copper Wires are used in electrical appliances, electronics and conductors.

2. Tinned Coated Wire

We manufacture Tin coated wires in range of 0.4mm to 2mm diameter and with varied coat thickness as per customer needs. Tin coating process imparts two very useful characters to copper wire. It increases its life and durability and it makes the wire easily solderable. The Tin Coated Wires are used in various types of cables, industrial machines, heaters and high temperature instruments.

3. Silver Plated Copper Wires

Silver plated wires carry the dual advantages of copper and silver. It has high conductivity and a shiny surface. This makes it extremely suitable for high frequency wires and coloured textile wires. The Silver Plated Copper Wires are used in decorative and ornamental electrical appliances and electronics

4. Enamelled Copper Wire

We manufacture insulated wires of thermal classes B, F, H and dual coated products with a wide size range of enamelled wires from SWG 14 to SWG 38 (2.0mm to 0.152mm diameter). The Enamelled Copper Wires are used in electrical machines such as motors, generators, transformers, house hold appliances, auto-electrical, refrigeration (hermetic) motors, electrical hand tools, fans, switchgears, coils and relays, ballasts etc.

5. Bunched Copper Wire

We manufacture high quality copper and tinned copper wires in bunched and standard from 0.50 sq mm to 85.00 sq mm and above. The bunched conductors can be made from bare as well as tin coated wires of various diameters as per the customer requirements. The Bunched Copper Wires are widely used in electrical appliances for flexible cabling.

6. Copper Strips and Bus Bars

We manufacture and supply variety of sizes and lengths of strips and bus bars to meet specific need of customers. Its main features include dimensional preciseness, high tensile strength and corrosion resistance. The Copper Strips and Bus Bars are mainly used in power transformers, electrical components, railway electrification, panel board, Bus duct manufacturing, commutators, earthing, switch gears and connectors

COMPETITION

The market for wire products is highly competitive and continually evolving. We expect to face increased competition, which may result in price reductions, reduced margins or loss of market share. We believe that the key competitive factors in the market for copper wire products include: -

- Manufacturing efficiency and quality;
- Performance
- Price;
- Lead time;
- Strength of supplier relationships; and
- Reputation

NEW PROJECT

We propose to set up a new unit in or around Pune for manufacture of Wires and Cables having an installed capacity of 8,480 MTPA. We are also embarking on an expansion in our existing Silvassa unit, to manufacture Bare Copper Strips and Insulated Copper Strips including Fibre Glass covered Varnish Bonded Copper Strips, Kapton Film covered Copper Strips, Enamel coated Copper Strips and Paper covered Copper Strips with an installed capacity of 10,800 MTPA.

Rationale for the New Project:

A. Wires and Cables:

Setting up of a unit to manufacture Wires & Cables is a natural extension of the existing product line of our company. Having established ourselves in bare copper wire industry for past 15 years and having been closely associated with the Wire and Cable industry as a manufacturer and supplier, we now propose to set up Wires & Cables manufacturing unit as a forward integration initiative.

B. Bare & Insulated Copper Strips and Conductor:

In order to meet the requirement of strips (both bare & insulated) from the power sector which is expected to witness significant growth, we plan to set-up additional facilities at the existing location of Silvassa. The proposed units envisages manufacture of Bare Copper Strips and Insulated Copper Strips including Fibre Glass covered Varnish Bonded Copper Strips, Kapton Film (DuPont) covered Copper Strips, Enamel coated Copper Strips and Paper covered Copper Strips with an installed capacity of 10,800 MTPA.

Our proposed units for Wires and Cables would manufacture the following products.

	Wires & Cables	Product Details	Specifications / Standards
1	Flexible Cables		
	Single Core	Copper Conductor Single Core Industrial Cable PVC Sheathed	IS Standards
	Multi Core	Copper Conductor Multi Core Industrial Cable PVC Sheathed	IS Standards
2	Solid Conductors	Industrial Cables PVC Sheathed	Confirming IS Standards
	Unarmoured	Unarmoured PVC Insulated & Sheathed Cable	Both Copper and Aluminium (Ayy1554 part 1)
	Armoured	Armoured PVC Sheathed Cable	Both Copper & Aluminum IS 1554 Part 1 (1.1KV)
3	HV Cable	Medium & High Voltage	IS 7098 Part II

Flexible Cables:

We plan to make both single & multi-core cables:

Flexible Cables	Single Core Flexible Cables	Multi Core Flexible Cables
Application	<p>These products would conform to IS 694 and generates good demand from Residential Buildings, Malls, Commercial complexes, IT Parks etc.</p> <p>Automotive sector is another major sector where these products find application.</p>	<p>Multi Core Flexible Cables for Appliances, Automotive and Building sectors;</p> <p>Quantity demand product particularly in Appliances, Power cord, Panel wiring, & building sector;</p>

Solid Conductors

These cables are used for wiring commercial and domestic buildings. They are also used for industrial electrification. These conductors offer low conductor resistance, they result in lower heating thereby increasing its life and also resulting in savings in power consumption. These wires are insulated with a special grade PVC compound which is impervious to water, oil, grease, acids, etc. and are tough against any mechanical abuses.

High Voltage Cables

A high voltage cable (HV cable) is used for electric power transmission at high voltage. High voltage cables of differing types have a variety of applications in instruments, ignition systems, AC and DC power transmission. In any application, the insulation of the cable should not deteriorate due to the high voltage stress, ozone produced by electric discharges in air, or tracking.

The cable system must prevent contact of the high-voltage conductor with other objects or persons, and must contain and control leakage current. Cable joints and terminals must be designed to control the high-voltage stress to prevent breakdown of the insulation. High-voltage cable have a metallic shield layer over the insulation, connected to earth ground and designed to equalize the dielectric stress on the insulation layer.

High voltage cables may be of any length, with relatively short cables used in apparatus, longer cables run within buildings or as buried cables in an industrial plant or for power distribution, and the longest cables are often run as submarine cables under the ocean for power transmission.

SUMMARY OF FINANCIAL INFORMATION

Restated Summary Statement of Assets and Liabilities

(Rupees in Lacs)

Particulars	31 st March, 2011	31 st March, 2010	31 st March, 2009	31 st March, 2008	31 st March, 2007
<u>Fixed Assets</u>					
Gross Block	1896.45	919.16	500.54	424.99	324.87
Less: Depreciation	596.24	376.32	205.69	157.25	124.64
Net Block	1300.21	542.84	294.84	267.74	200.22
Capital WIP	278.26	29.38	0.00	0.00	0.00
Total (A)	1578.47	572.22	294.84	267.74	200.22
<u>Investments (B)</u>	170.10	20.10	17.10	7.05	2.00
<u>Current Assets, Loans & Advances</u>					
Inventory	4896.38	1755.64	1238.69	1336.89	297.66
Sundry Debtors	21011.38	6866.18	7754.25	1513.51	962.85
Cash and Bank Balances	779.46	550.33	75.57	23.07	11.36
Loans and Advances	4494.47	2011.38	823.19	586.75	323.03
Total (C)	31181.69	11183.54	9891.69	3460.22	1594.89
Total Assets (A+B+C) = D	32930.26	11775.86	10203.64	3735.01	1797.12
<u>Liabilities and Provisions</u>					
Current Liabilities	14270.00	4384.73	5374.95	1361.71	958.02
Provisions	981.18	226.91	223.11	60.00	24.64
Secured Loans	7981.86	3344.97	2005.19	899.31	500.00
Unsecured Loans	2678.37	172.84	632.26	754.80	242.01
Deferred Tax Liabilities	92.81	13.34	14.46	16.99	8.64
Total (E)	26004.22	8142.80	8249.97	3092.82	1733.31
Net Worth (D-E)	6926.04	3633.06	1953.67	642.19	63.81
<u>Net Worth represented by</u>					
Equity Share Capital	2000.00	862.19	693.26	233.51	28.51
Reserve and Surplus					
Securities Premium Account	0.00	506.80	0.00	0.00	0.00
General Reserve	0.00			0.00	0.00
Profit & Loss account	4926.04	2264.07	1260.41	408.68	35.30
Sub-Total	6926.04	3633.06	1953.67	642.19	63.81
Less: Misc. Expenditure <i>(to the extent not written off or adjusted)</i>	0.00	0.00	0.00	0.00	0.00
Net Worth	6926.04	3633.06	1953.67	642.19	63.81

Restated Summary Statement of Profits and Losses

(Rupees in Lacs)

Particulars	For the Financial Year Ended				
	31 st March, 2011	31 st March, 2010	31 st March, 2009	31 st March, 2008	31 st March, 2007
<u>INCOME</u>					
- Sale of Products manufactured by the Company	54,695.47	28,069.85	22,959.74	10,207.73	5,861.11
Sale of Products traded by the Company	5,633.75	2,352.66	-	-	-
Other Income	762.13	70.41	5.07	16.58	(0.92)
Increase or Decrease in Stock of Finished Goods	3,507.24	(9.29)	42.64	(4.59)	5.32
Total	64,598.59	30,483.64	23,007.46	10,219.73	5,865.51
<u>EXPENDITURE</u>					
Raw Material Consumed	52,673.50	25,081.06	20,456.70	9,178.14	5,088.09
Cost of products traded by the Company	5,435.96	2,315.25	-	-	-
Manufacturing Expenses	476.15	200.64	390.59	171.78	139.00
Payment to Employees	102.28	72.30	63.11	42.47	23.01
Administrative & Selling Expenses	650.92	754.86	453.01	253.30	137.63
Finance Expenses	1,130.88	647.41	521.18	110.79	215.85
Depreciation	219.93	170.52	48.44	32.61	13.02
Total	60,689.62	29,242.04	21,933.02	9,789.09	5,616.60
Adjusted Profit before tax	3,908.97	1,241.60	1,074.44	430.64	248.91
<u>Provision for Tax</u>					
Current	801.17	226.92	223.11	60.00	24.64
Deferred Tax Liability \((Asset)	79.47	(1.12)	(2.53)	8.36	8.64
Mat Credit	-	12.15	-	(12.15)	-
Receivable(Entitlement /used)	-	-	2.13	1.04	1.00
Fringe Benefit Paid	-	-	-	-	-
Profit after Tax	3,028.34	1,003.66	851.72	373.38	214.63

Restated Statement of Cash Flows

(Rupees in Lacs)

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Cash flows from Operating Activities					
Net profit before taxation, and extraordinary item	3,908.97	1,241.60	1,074.44	430.64	248.91
<u>Adjustments for:</u>	-	-	-	-	-
Depreciation	219.93	170.52	48.44	32.61	13.02
Interest expenses	805.88	419.91	391.19	91.15	196.83
Operating Profit before Working Capital Changes	4,934.78	1,832.03	1,514.07	554.40	458.76
Decrease / (Increase) in sundry debtors	(14,145.20)	888.07	(6,240.74)	(550.66)	(717.85)
Decrease / (Increase) in inventories	(3,140.74)	(516.95)	98.20	(1,039.23)	(46.91)
Decrease / (Increase) in loans and advances	(1,878.43)	(1,054.04)	(181.44)	(251.58)	(245.41)
Increase / (Decrease) in current liabilities & provisions	9,885.27	(990.37)	4,013.25	403.68	746.06
Cash Generated from Operations	(4,344.32)	158.74	(796.66)	(883.39)	194.66
Income taxes paid	651.56	369.42	117.13	25.68	1.00
Cash flow before extraordinary item	(4,995.87)	(210.68)	(913.79)	(909.07)	193.66
Extra Ordinary Items	-	-	-	-	-
Net Cash from Operating Activities	(4,995.87)	(210.68)	(913.79)	(909.07)	193.66
Cash flows from Investing Activities					
Purchase of Fixed Assets	(1,226.40)	(447.74)	(75.55)	(100.13)	(137.76)
Sale of Fixed Assets	0.22	-	-	-	-
(Increase) in Investments	(150.00)	(3.00)	(10.05)	(5.05)	-
Net cash from Investing Activities	(1,376.18)	(450.74)	(85.60)	(105.18)	(137.76)
Cash flows from Financing Activities					
Proceeds from Issue of Share Capital	37.81	168.93	459.75	205.00	-

Share Premium of Issue of Share Capital	226.84	506.80	-	-	-
Increase/(Decrease) in unsecured loans (Short term)	-	-	-	-	-
Increase/(Decrease) in unsecured loans (Long Term)	2,505.53	(459.41)	(122.55)	512.80	78.63
Increase/(Decrease) in secured loans	4,636.89	1,339.78	1,105.88	399.31	53.06
Preliminary Expenditure	-	-	-	-	-
Interest paid	(805.88)	(419.91)	(391.19)	(91.15)	(196.83)
Dividend paid and tax on it	-	-	-	-	-
Net cash used in Financing Activities	6,601.18	1,136.19	1,051.89	1,025.96	(65.14)
Net increase in Cash and Cash Equivalents	229.13	474.77	52.50	11.71	(9.24)
Add : Cash and cash equivalents at beginning of period	550.33	75.57	23.07	11.36	20.59
Cash and Cash Equivalents at end of Period	779.46	550.33	75.57	23.07	11.36

THE ISSUE

Issue by our Company	[●] Equity shares of Face Value of ₹ 10 each for cash at price of ₹ [●] (including a premium of ₹ [●]) aggregating upto ₹ 12,500 Lac
Of which	
A) QIB Portion	Not more than [●] Equity Shares shall be available for allocation
Of which	
• Anchor Investor Portion	Upto [●] Equity Shares
• Balance available for allocation to QIBs other than the Anchor Investor Portion (Assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares
Of which	
• Available for allocation to Mutual funds only (5% of the QIB Portion) (excluding the Anchor Investor Portion)	Upto [●] Equity Shares
Balance of all QIBs including Mutual Funds	[●] Equity Shares
B) Non-institutional Portion	Not less than [●] Equity Shares shall be available for allocation
C) Retail Portion	Not less than [●] Equity Shares shall be available for allocation
Equity Shares outstanding prior to the Issue	2,00,00,000 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net Proceeds	See “Objects of the Issue” on page 64

Note:

1. Allocation to all categories shall be made on a proportionate basis;
2. In the event of over-subscription, allocation shall be made on a proportionate basis subject to valid Bids being received at or above the Issue Price;
3. Under-subscription, if any, in any of the categories, would be allowed to be met with spill over from the other categories, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange; and
4. Our Company may, in consultation with the BRLM, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. 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 being done to other Anchor Investors. For details, please see the section titled “Issue Procedure” on page 235 of this DRHP.

For details of the terms of the Issue, see “Terms of the Issue” on page 229.

GENERAL INFORMATION

We were originally incorporated as Duplex Wires Private Limited on September 26, 1990.

Registered Office Address of our Company:

Duplex Industries Limited

CTS No. 712/A,
S. No.140 Flat No.2,
Prachi Residency, Bhelkenagar,
Kothrud, Pune - 411 038.
Maharashtra.
India.

Tel No: +91-20-25382561/62

Fax No: +91-20-25396306

Contact Person: Mr. Vishwas G. Chandhaikar

Email: cs@duplexindustries.com

Website: www.duplexindustries.com

Registration Number: 11-58307

Company Identification Number: U31300MH1990PLC058307

Address of the Registrar of Companies

The Registrar of Companies, Maharashtra, Pune

PMT Building, Pune Stock Exchange,
3rd Floor, Deccan Gymkhana,
Pune – 411 004.

Phone: 020-25530042

Fax: 020-25521376

Email: roc.pune@mca.gov.in

Board of Directors

The Board of Directors of the Company comprises the following:

Name and Designation	Age (years)	DIN	Address
Mr. Anand Vishnu Satpute Executive Director & Chairman	75	01715857	Plot No. 74, Lane No 3, Natraj Co-operative, Housing Society, Karvenagar, Pune– 411 052, Maharashtra, India.
Mr. Anil Satpute Managing Director	40	01726531	Plot No. 74, Lane No 3, Natraj Co-operative, Housing Society, Karvenagar, Pune– 411 052, Maharashtra, India.
Mr. Shashikanth Awati Director	61	03501518	24 Milap Society, Patwardhan Building, Erandawane, Pune – 411 004, Maharashtra, India.
Mr. Manojkumar Gupta Director	45	02309880	Swami H No. 22, Gokul Nagar, Sr. No. 36/2, Katraj Kondhwa Road, Katraj, Pune – 411 046, Maharashtra, India.

For further details of our Directors, see “Our Management” on page 141 of this DRHP:

COMPLIANCE OFFICER

Name: Mr. Vishwas G. Chandhaikar

Address: Duplex Industries Limited

CTS No. 712/A,

S. No.140 Flat No.2,

Prachi Residency, Bhelkenagar,

Kothrud, Pune - 411 038.

Maharashtra, India.

Tel No: +91 20 25382561/62

Fax No: +91-20-25396306

Email: cs@duplexindustries.com

Website: www.duplexindustries.com

Investors are advised to contact the Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue problems/grievances such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non receipt of funds by electronic mode, etc.

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, ASBA account number and the designated branches.

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

BOOK RUNNING LEAD MANAGER

Arihant Capital Markets Limited

SEBI Registration No.: INM000011070

3rd Floor, Krishna Bhavan,

67, Nehru Road,

Vile Parle (East),

Mumbai 400 057.

Tel. No.: +91- 22- 42254800/62;

Fax No.: +91- 22- 42254880

Email: amol.kshirsagar@arihantcapital.com / satish.p@arihantcapital.com

Investor Grievance Email: mbd@arihantcapital.com

Website: www.arihantcapital.com

Contact Person: Mr. Amol Kshirsagar / Mr. Satish Kumar P.

LEGAL ADVISORS TO THE ISSUE

M/s. Kanga and Company

Advocates & Solicitors

Readymoney Mansion,

43, Veer Nariman Road,

Mumbai – 400 001.

Tel No: +91 22 6623 0000 /2204 2288

Fax No: +91 22 6633 9656/6633 9657

Email: dhaval.vussonji@kangacompany.com

Contact person: Mr. Dhaval Vussonji

REGISTRAR TO THE ISSUE

Sharex Dynamic (India) Private Limited

SEBI Registration No: INR000002102

Unit No. 1, Luthra Industrial Premises,

Andheri Kurla Road, Safed Pool,

Andheri (East), Mumbai – 400 072

Tel No: + 91 22-28515606/44/6338

Fax No: +91 22-2851 2885

Email: duplex.ipo@sharexindia.com

Website: www.sharexindia.com

Contact Person: Mr. K. C. Ajitkumar

BANKERS TO THE ISSUE AND ESCROW COLLECTION

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

SELF CERTIFIED SYNDICATE BANKS

The SCSBs are as per the updated list available on SEBI's website at www.sebi.gov.in/pmd/scsb.pdf. Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

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 branches of the SCSBs where the ASBA Form was submitted by the ASBA Bidders.

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

BANKERS TO OUR COMPANY

Name: - State Bank of India
(Commercial Branch, Pune)
Tel No: - +91-20-24330066
Fax No: - +91-20-24330151
Email: - sbi.04108@sbi.co.in
Website: - www.statebankofindia.com
Contact person: - Mr. Milind Gadkari

Name: - Dhanlaxmi Bank Limited
(East Street, Pune)
Tel No: - +91-20-64500157
Email: - neeraj.madhekar@dhanbank.co.in
Website: - www.dhanbank.com
Contact person: - Mr. Neeraj Madhekar

Name: - Yes Bank Limited
(Bhandarkar Road, Pune)
Tel No: - +91-20-66200861
Fax No: - +91-20-66200860
Email: - manish.kanojia@yesbank.in
Website: - www.yesbank.in
Contact person: - Mr. Manish Kanojia

Name: - ICICI Bank Limited
(Bangarden Branch)
Tel No: - +91-020-26531414
Fax No: - +91-020-26531122
Email: - saurabh.tikmani@icicibank.com
Website: - www.icicibank.com
Contact person: - Mr. Saurabh Tikmani

BROKER TO THE ISSUE

All members of the recognised Stock Exchanges would be eligible to act as Brokers to the Issue

REFUND BANKER TO THE ISSUE

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

SYNDICATE MEMBER

Arihant Capital Markets Limited
SEBI Registration No.: INM000011070
3rd Floor, Krishna Bhavan,
67, Nehru Road, Vile Parle (East),
Mumbai 400 057.
Tel. No.: +91- 22- 42254800/47; **Fax No.:** +91- 22- 42254880
Email: amol.kshirsagar@arihantcapital.com/satish.p@arihantcapital.com
Investor Grievance Email: mbd@arihantcapital.com
Website: www.arihantcapital.com
Contact Person: Mr. Amol Kshirsagar / Mr. Satish Kumar P

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

STATUTORY AUDITOR TO THE COMPANY

Mr. Avinash Jeevan Utgikar
2, Dnyanada Society,
517, Sadashiv Peth,
Near Dnyan Prabodhini,
Pune – 411 030.
Tel No.: +91-20-24479369/ 24497171
Email: avinashutgikar@gmail.com

PEER REVIEW AUDITOR

Laxmikant Kabra & Co.,
Chartered Accountants
1, Matru Chhaya, M. Karve Road,
Opp. Dr. Bedekar Hospital,
Naupada, Thane (w)-400 602
Tel No.: +91-22-25390009
Fax : +91-22-25438095
Email : lkk@laxmikantkabra.com

CREDIT RATING

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

TRUSTEES

This being an issue of Equity Shares, appointment of trustees is not required

APPRAISING ENTITY

The proceeds being raised through this Issue are intended to be utilized for purposes as detailed in the section titled “Objects of the Issue” beginning on page 64 of this DRHP. The proposed activities and expenditure for which the proceeds are being raised through this Issue have not been appraised by any bank or financial institution and the requirement of proceeds are based on management estimates.

MONITORING AGENCY

Since the Issue size shall not exceed ₹ 50,000 Lac, no monitoring agency has been appointed to monitor the funds proposed to be raised in the public issue.

However, as per the Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the Corporate Governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds. We will disclose the utilization of the proceeds of the Issue, including interim use, under a separate head in our quarterly financial disclosures and annual audited financial statements until the Net Proceeds remain unutilized, to the extent required under the applicable law and regulations.

IPO GRADING AGENCY

Name: [●]
Address: [●]
Tel No.: [●]
Email: [●]
Contact Person: [●]

IPO Grading

This issue has been graded by [●], a SEBI registered credit rating agency and has been assigned the “IPO Grade [●], indicating [●] by its letter dated [●], which is valid for a period of [●] months. The IPO grading is assigned on a five point scale from 1 to 5 wherein an “IPO Grade 5” indicates strong fundamentals and “IPO Grade 1” indicates poor fundamentals. The rationale furnished by the grading agency for its grading will be updated at the time of filing of the Red Herring Prospectus with the RoC/ Designated Stock Exchange.

The rationale furnished by the grading agency for its grading will be updated at the time of filing the Red Herring Prospectus with RoC and will be available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

STATEMENT OF RESPONSIBILITIES

Arihant Capital Markets Limited is the sole BRLM to the Issue and shall be responsible for the following activities:

Sr. No.	Activity
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, etc.
2.	Conducting a Due diligence of our Company’s operations / management / business plans / legal, etc. Drafting and designing the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus. Ensuring compliance with the SEBI (ICDR) Regulations, 2009 and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges (pre-issue), RoC and SEBI.
3.	Primary co-ordination with SEBI, RoC and Stock Exchanges up to bidding and coordinating interface with lawyers for agreements.
4.	Appointment of the Registrar, Bankers to the issue and appointment of other intermediaries viz. printers and advertising agency
5.	Primary coordination of drafting/proofing of the design of the Prospectus, bid forms including memorandum containing salient features of the Prospectus with the printers. Primary coordination of the drafting and approving the statutory advertisement.
6.	Drafting and approving all publicity material other than statutory advertisement including corporate advertisement, brochure, etc.
7.	Retail & HNI segment Marketing, which will cover <i>inter alia</i> : - <ul style="list-style-type: none">• Preparation of road show presentations;• Finalising centres for holding Brokers’ conference Finalising media, marketing and PR Strategy;• Follow up on distribution of publicity and issue material including application form, brochure and deciding on quantum of issue material; and• Finalising collection centres as per schedule III of SEBI (ICDR) Regulations, 2009
8.	Institutional Marketing, which will cover <i>inter alia</i> : - <ul style="list-style-type: none">• Finalisation of list of investors;• Finalisation of one to one meetings and allocation of institutions; and• Finalisation of presentation material.
9.	Managing Book & co-ordination with stock Exchanges for bidding terminals, mock trading etc
10.	Pricing and QIB allocation
11.	Follow – up with the bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.

12.	The post-Issue activities for the Issue will involve essential follow up steps, which include finalizing basis of allotment / weeding out of multiple applications, the listing of instruments and dispatch of certificates/demat credits or refunds and dematerialized delivery of shares with the various agencies connected with the work such as the Registrars to the Issue and Bankers to the Issue, Self Certified Syndicate Banks, the bank handling refund business. The Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company.
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The selection of various agencies like the Bankers to the Issue, Escrow Collection Bank(s), Syndicate Members, Brokers, Advertising agencies etc. will be finalized by our Company in consultation with the BRLM.

Even if other intermediaries will handle any of these activities, the BRLM shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company.

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:

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

Regulation 43(2) of the SEBI (ICDR) Regulations, 2009 has permitted an issue of securities to the public through the 100% Book Building Process, wherein not more than 50% of the Issue shall be available for allocation to QIBs on a proportionate basis (Provided that, our Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis), out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Qualified Institutional Buyers' portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Further, not less than 15% of the Issue shall be available for allotment to Non Institutional Bidders and not less than 35% of the Issue shall be available for allotment to Retail Individual Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price.

We will comply with the SEBI (ICDR) Regulations, 2009 for this Issue. In this regard, we have appointed Arihant Capital Markets Limited as the BRLM to manage the Issue and procure subscriptions to the Issue.

In accordance with the SEBI Regulations, QIBs are not allowed to withdraw their Bid(s) after the Bid/Issue Closing Date. For further details, please see the section titled “*Terms of the Issue*” on page 229 of this DRHP.

The process of Book Building under the SEBI 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 ₹ 20 to ₹ 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 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 (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (*please see the section titled “Issue Procedure - Who Can Bid?” on page 235 of this DRHP*);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form or the ASBA Form, as the case may be;
3. Except for Bids on behalf of the Central or State Governments and the officials appointed by the courts, for all Bids, ensure that you have mentioned your PAN in your Bid cum Application Form or ASBA Bid cum Application Form. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of the transaction (*please see the section titled “Issue Procedure” on page 235 of this DRHP*);
4. Ensure that the Bid cum Application Form or ASBA Bid cum Application Form is duly completed as per instructions given in this DRHP and in the Bid cum Application Form or ASBA Bid cum Application Form;
5. Ensure the correctness of your Demographic Details (*as defined in the section titled “Issue Procedure at page 235*), given in the Bid cum Application Form or ASBA Form, with the details recorded with your Depository Participant;
6. Bids by ASBA Bidders will have to be submitted to the Syndicate Member (s)/ sub-syndicate members at the specified centres or SCSBs at the Designated Branches. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the Syndicate Member (s)/sub-syndicate member or the SCSB to ensure that their ASBA Bid cum Application Form is not rejected; and

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue after the bidding and if so, the reason thereof shall be given as a public notice within two days of the closure of the Issue. The public notice shall be issued in the same newspapers where the pre-issue advertisement had appeared. The Stock Exchanges where the specified securities were proposed to be listed shall also be informed promptly.

If our Company withdraws the Issue after closure of bidding, we will be required to file a fresh draft offer document with the Securities and Exchange Board of India.

Bid/ Issue Programme

BID/ISSUE OPENS ON		●
BID/ISSUE CLOSES ON		●

**Our Company may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.*

Bids and any revision in Bids will be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the Bidding centers mentioned in the Bid cum Application Form, or in the case of Bids submitted through ASBA, the designated branches of the SCSBs or to the Syndicate Member(s)/sub-syndicate members at the Specified Centres, **except that on the Bid/ Issue Closing Date, Bids excluding ASBA Bids shall be accepted only between 10.00 a.m. and 3.00 p.m.** (Indian Standard Time) and uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders; and (ii) 5.00 p.m. which may be extended up to such time as permitted by the Stock Exchanges in case of Bids by Retail Individual Bidders where the Bid Amount is up to ₹ 2,00,000/- (Rupees Two Lac only). 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 3.00 p.m. (Indian Standard Time) on the Bid/ Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, our Company and the Syndicate shall not be responsible. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with SEBI ICDR Regulations. The Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price as disclosed at least two Working Days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bidding Period will be extended for three additional Working Days after revision of Price Band subject to the Bidding Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price and allocation of the Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfill their underwriting obligations. 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, Address, Telephone and Fax Numbers and the Email of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ In Lac)
[•]	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]

The above mentioned amount is indicative underwriting and this would be finalized after determination of the Issue Price and actual allocation.

The Board of Directors (based on the certificates given by the Underwriters), confirm that 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 or registered as brokers with the Stock Exchanges.

The Board of Directors has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments.

Notwithstanding the table above, the BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the investors procured by them. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

CAPITAL STRUCTURE

The Equity Share Capital of the Company, as at the date of filing of this DRHP with SEBI, immediately prior to and after the proposed Issue is set forth below:

Particulars		Aggregate Value at Face value (₹)	Aggregate Value at Issue Price (₹)
A	AUTHORISED SHARE CAPITAL		
	4,00,00,000 Equity Shares of ₹ 10/- each	40,00,00,000	[●]
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	2,00,00,000 Equity Shares of ₹ 10/- each	20,00,00,000	[●]
C	PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	[●] Equity Shares of ₹ 10/- each	[●]	125,00,00,000
	Of which:		
	QIB portion of not more than [●] Equity Shares shall be available for allocation	[●]	[●]
	Non-Institutional portion of not less than [●] Equity Shares shall be available for allocation	[●]	[●]
	Retail portion of not less than [●] Equity Shares shall be available for allocation	[●]	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
	[●] Equity Shares of ₹ 10/- each	[●]	[●]
E	SECURITIES PREMIUM ACCOUNT		
	Before the Issue	NIL	
	After the Issue	[●]	

- The Issue has been authorised by the Board of Directors on July 1, 2011 and by shareholders of our Company at an Extra-ordinary General Meeting held on July 14, 2011;
- Out of the QIB Portion, the Company may consider participation by Anchor Investors for up to [●] Equity Shares in accordance with the SEBI ICDR Regulations at the Anchor Investor Issue Price of ₹ [●] per Equity Share, out of which at least one third shall be allocated to domestic Mutual Funds;

Details of increase in Authorised Share Capital since incorporation

The Authorised Share Capital of our Company at the time of incorporation was ₹ 7,00,000/- (Rupees Seven Lac only) divided into 70,000 Equity Shares of ₹ 10/- each. The following table gives the increase in the Authorised Capital post Incorporation of our Company: -

Sr. No.	Particulars of increase	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in authorised share capital from ₹ 7,00,000/- divided into 70,000 Equity shares of ₹ 10/- each to ₹ 25,00,000/- divided into 2,50,000 Equity Shares of ₹ 10/- each.	November 22, 1993	EGM
2.	Increase in authorised share capital from ₹ 25,00,000/- divided into 2,50,000 Equity shares of ₹ 10/- each to ₹ 40,00,000/- divided into 4,00,000 Equity Shares of ₹ 10/- each.	September 28, 1995	EGM
3.	Increase in authorised share capital from ₹ 40,00,000/- divided into 4,00,000 Equity shares of ₹ 10/- each to ₹ 3,00,00,000/- divided into 30,00,000 Equity Shares of ₹ 10/- each.	November 20, 2007	EGM
4.	Increase in authorised share capital from ₹ 3,00,00,000/- divided into 30,00,000 Equity shares of ₹ 10/- each to ₹ 5,00,00,000/- divided into 50,00,000 Equity Shares of ₹ 10/- each.	September 16, 2008	EGM
5.	Increase in authorised share capital from ₹ 5,00,00,000/- divided into 50,00,000 Equity shares of ₹ 10/- each to ₹ 7,00,00,000/- divided into 70,00,000 Equity Shares of ₹ 10/- each.	February 9, 2009	EGM
6.	Increase in authorised share capital from ₹ 7,00,00,000/- divided into 70,00,000 Equity shares of ₹ 10/- each to ₹ 9,00,00,000/- divided into 90,00,000 Equity Shares of ₹ 10/- each.	December 14, 2009	EGM
7.	Increase in authorised share capital from ₹ 9,00,00,000/- divided into 90,00,000 Equity shares of ₹ 10/- each to ₹ 20,00,00,000 /- divided into 2,00,00,000 Equity Shares of ₹ 10/- each.	December 13, 2010	EGM
8.	Increase in authorised share capital from ₹ 20,00,00,000/- divided into 2,00,00,000 Equity shares of ₹ 10/- each to ₹ 21,00,00,000/- divided into 2,10,00,000 Equity Shares of ₹ 10/- each.	January 4, 2011	EGM
9.	Increase in authorised share capital from ₹ 21,00,00,000/- divided into 2,10,00,000 Equity shares of ₹ 10/- each to ₹ 40,00,00,000 divided into 4,00,00,000 Equity Shares of ₹ 10/- each.	May 3, 2011	EGM

Notes to capital structure

1. Share capital history of our Company

The following is the history of the equity share capital of our Company: -

Date of the allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (₹)	Cumulative Securities Premium (₹)
September 26, 1990	20	10	10	Cash	Subscription to Memorandum	20	200	Nil
March 28, 1991	2,080	10	10	Cash	Further Allotment	2100	21,000	Nil
March 15, 1994	45,900	10	10	Cash	Further Allotment	48,000	4,80,000	Nil
June 23, 1994	29,500	10	10	Cash	Further Allotment	77,500	7,75,000	Nil
March 1, 1995	21,500	10	10	Cash	Further Allotment	99,000	9,90,000	Nil
June 8, 1995	1,08,500	10	10	Cash	Further Allotment	2,07,500	20,75,000	Nil
March 1, 1996	60,000	10	10	Cash	Further Allotment	2,67,500	26,75,000	Nil
March 30, 2003	17,600	10	10	Cash	Further Allotment	2,85,100	28,51,000	Nil
December 26, 2007	13,50,000	10	10	Cash	Further Allotment	16,35,100	1,63,51,000	Nil
December 27, 2007	7,00,000	10	10	Cash	Further Allotment	23,35,100	2,33,51,000	Nil
February 2, 2009	20,97,500	10	10	Cash	Further Allotment	44,32,600	4,43,26,000	Nil
March 30, 2009	25,00,000	10	10	Cash	Further Allotment	69,32,600	6,93,26,000	Nil
March 31, 2010	8,76,837	10	40	Consideration Other than Cash (<i>Refer Note</i>)	Further Allotment	78,09,437	7,80,94,370	2,63,05,110
March 31, 2010	8,12,500	10	40	Cash	Further Allotment	86,21,937	8,62,19,370	5,06,80,110
September 28, 2010	2,50,000	10	70	Cash	Further Allotment	88,71,937	8,87,19,370	6,56,80,110
March 25, 2011	1,28,063	10	70	Cash	Further Allotment	90,00,000	9,00,00,000	7,33,63,890
March 28, 2011	1,10,00,000	10	-	Bonus	Bonus Issue in the ratio 11:9	2,00,00,000	20,00,00,000	Nil

Note: *Equity Shares issued for consideration other than cash*

Other than the issues made by us, details of which are set out in the table below, we have made no issues of shares for consideration other than cash:

Date of the allotment	No. of Equity Shares	Issue Price (in ₹)	Reasons for allotment	Benefits accruing to the Company	Persons to whom the allotment were made
March 28, 2011	1,10,00,000	-	Bonus Issue out of Securities Premium and free reserves	-	Existing Shareholders
March 31, 2010 *	8,76,837	40/-	Acquisition of assets and liabilities of M/s Galvano Techniques (a proprietorship concern of Mr. Anil Satpute)	Technology for carrying out activity of coating and / or enamelling different chemicals on the copper wires.	Mr. Anil Satpute

* By an Agreement for Transfer of Business Undertaking dated July 18, 2009 between our Company and Mr. Anil Satpute (the sole proprietor of M/s Galvano Techniques), the entire business of Galvano, including the technology and goodwill was transferred to our Company. In consideration of the same, our Company allotted 8,76,837 Equity Shares of ₹ 10/- (Rupees Ten only) each to Mr. Anil Satpute at a premium of ₹ 30/- (Rupees Thirty only) amounting to ₹ 3,50,73,480/- (Rupees Three Crore Fifty Lac Seventy Three Thousand Four Hundred and Eighty only) and paid cash amounting to ₹ 4,916/- (Rupees Four Thousand Nine Hundred and Sixteen only). The assets of Galvano have been valued by Mr. Prakash B. Patil, Chartered Engineer by his Valuation Report dated July 16, 2009. Further, as per the abovementioned Agreement, Mr. Anil Satpute cannot sell the said Equity Shares till March 31, 2015.

- Till date no Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
- As of date of filing this DRHP, our Company has not issued any equity shares under any employee stock option scheme.
- Build-up of Promoters' capital, Promoters' contribution and lock-in**

a) History of Equity Share capital held by the Promoters:

Name of the Promoter: Mr. Anand Satpute

Date on which the equity shares were allotted/acquired and made fully paid up or transferred	Nature of allotment	No. of Equity Shares	Nature of payment of consideration	Face Value (₹)	Issue/ Transfer Price (₹)	% of Pre-Issue Capital	% of Post Issue Capital
September 26, 1990	Subscription to MOA	10	Cash	10	10	-	[●]
March 28, 1991	Allotment	1,180	Cash	10	10	-	[●]
March 28, 1991	Transferred from Mr. Pravin Daiya	10	Cash	10	100	-	[●]
March 15, 1991	Further Allotment	24,200	Cash	10	10	0.12	[●]
June 23, 1994	Further Allotment	14,000	Cash	10	10	0.07	[●]
March 01, 1995	Further Allotment	15,000	Cash	10	10	0.08	[●]
June 08, 1995	Further Allotment	91,000	Cash	10	10	0.46	[●]

Date on which the equity shares were allotted/acquired and made fully paid up or transferred	Nature of allotment	No. of Equity Shares	Nature of payment of consideration	Face Value (₹)	Issue/ Transfer Price (₹)	% of Pre-Issue Capital	% of Post Issue Capital
December 26, 2007	Further Allotment	1,00,000	Cash	10	10	0.50	[●]
March 30, 2009	Further Allotment	12,50,000	Cash	10	10	6.25	[●]
April 08, 2009	Transferred from Mrs. Usha Satpute	17,000	Cash	10	10	0.09	[●]
April 08, 2009	Transferred from Mr. Abhijit Kulkarni	11,500	Cash	10	10	0.06	[●]
March 31, 2010	Further Allotment	1,57,500	Cash	10	40	0.79	[●]
March 21, 2011	Transferred to Duplex Ventures	(16,65,000)	Cash	10	10	(8.33)	[●]
March 28, 2011	Bonus	20,044	--	10	--	0.10	[●]
Total		36,444					

Name of the Promoter: Mr. Anil Satpute

Date on which the equity shares were allotted/acquired and made fully paid up or transferred	Nature of allotment	Number of Equity Shares	Nature of payment of consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital	% of Post Issue Capital
March 15, 1994	Further Allotment	14,100	Cash	10	10	0.07	[●]
June 23, 1994	Further Allotment	2,000	Cash	10	10	0.01	[●]
June 08, 1995	Further Allotment	17,500	Cash	10	10	0.09	[●]
March 01, 1996	Further Allotment	60,000	Cash	10	10	0.30	[●]
March 30, 2003	Further Allotment	17,600	Cash	10	10	0.09	[●]
December 26, 2007	Further Allotment	8,50,000	Cash	10	10	4.25	[●]
December 27, 2007	Further Allotment	7,00,000	Cash	10	10	3.50	[●]
February 02, 2009	Further Allotment	15,60,000	Cash	10	10	7.80	[●]
September 05, 2009	Transmitted on death of Mrs. Usha Satpute	6,87,500	Cash	10	--	3.44	[●]
March 31, 2010	Further Allotment	8,76,837	Consideration other than cash	10	40	4.38	[●]

Date on which the equity shares were allotted/acquired and made fully paid up or transferred	Nature of allotment	Number of Equity Shares	Nature of payment of consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital	% of Post Issue Capital
March 31, 2010	Further Allotment	3,12,500	Cash	10	40	1.56	[●]
September 28, 2010	Further Allotment	2,50,000	Cash	10	70	1.25	[●]
March 25, 2011	Further Allotment	1,28,063	Cash	10	70	0.64	[●]
March 28, 2011	Bonus	66,93,011	NA	10	NA	33.47	[●]
Total		1,21,69,111					

b) Details of Promoters' contribution locked in for 3 (three) years: -

Promoters	No. of Equity Shares locked in	Face Value (₹)	Date of Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	% of Post Issue Capital
Mr. Anil Satpute	[●]	10/-	[●]	[●]	[●]	[●]

The figures to be provided in this table shall be finalised upon determination of the Issue Price and the number of Equity Shares to be issued in the Issue, consequent to the Book Building Process

Our Promoter, Mr. Anil Satpute has by a written undertaking dated July 26, 2011, given consent for Equity Shares held by them to be considered as Promoters' contribution to be locked in for a period of 3 (three) years from the date of allotment, consisting of 20% of the post-Issue equity share capital of our Company ("**Promoters' Contribution**").

Our Promoter, Mr. Anil Satpute has pursuant to his undertaking dated July 26, 2011, agreed not to sell or transfer or pledge his shares or otherwise dispose off in any manner, the Equity Shares forming part of the Promoters' Contribution from the date of filing of this DRHP until the commencement of the lock-in period specified above.

The SEBI ICDR Regulations require that an aggregate of 20% of the post-Issue shareholding of the Promoters be considered as promoters' contribution and locked-in for a period of 3 (three) years. Such lock-in is required to commence from the date of allotment in the Issue and end on the date that is 3 (three) years subsequent to the date of allotment in the Issue.

The Equity shares that are being locked-in are not ineligible 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, our Company confirms that the Equity Shares locked-in do not consist of:

- Equity Shares acquired during the preceding 3 (three) years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoters' Contribution;
- Equity Shares acquired during the preceding 1 (one) year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm;
- Equity Shares held by the Promoters that are subject to any pledge; and

- (v) Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

Details of share capital locked in for 1 (one) year

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire pre-Issue capital of our Company comprising 2,00,00,000 Equity Shares would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue pursuant to Regulation 36(b) and Regulation 37 of the SEBI ICDR Regulations.

Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 (three) years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable.

5. There has been no transactions in Equity Shares by the Directors, Promoters and Promoter Group entities during 6 (six) months preceding the filing of this DRHP with SEBI except as mentioned below:

Transferor	Transferee	Date of Transfer	Number of Equity Shares	Face Value (in ₹)	Consideration (in ₹)
Mr. Anand Satpute – Promoter	Duplex Ventures Private Limited	21/03/2011	16,65,000	10/-	1,66,50,000
Mrs. Kanchan Anil Satpute – Promoter Group	Varad Constructions Private Limited	21/03/2011	13,50,000	10/-	1,35,00,000
Mrs. Kanchan Anil Satpute – Promoter Group	Asha Ventures Private Limited	21/03/2011	1,12,500	10/-	11,25,000
Mrs. Kanchan Anil Satpute – Promoter Group	Mr. Rajendra Rajaram Desai	21/03/2011	34	10/-	340
Mrs. Kanchan Anil Satpute – Promoter Group	Mr. Ashok Deosthali	21/03/2011	34	10/-	340
Mrs. Kanchan Anil Satpute – Promoter Group	Mr. Shashikanth Awati	21/03/2011	34	10/-	340

Transferor	Transferee	Date of Transfer	Number of Equity Shares	Face Value (in ₹)	Consideration (in ₹)
Mrs. Kanchan Anil Satpute – Promoter Group	Mr. Prakash Patil	21/03/2011	33	10/-	330

6. *Our Company has issued Equity Shares to the following persons in the year preceding the date of this DRHP, which may be at a price lower than the Issue price:*

Name of the Shareholder	Date of Issue	Whether Promoter or belongs to Promoter Group	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for the Issue
Mr. Anil Satpute	September 28, 2010	Yes	2,50,000	10	70	Further Allotment
Mr. Anil Satpute	March 25, 2011	Yes	1,28,063	10	70	Further Allotment

7. *The list of shareholders of our Company and the Equity Shares held by them is as follows:*

- a) Our shareholders and the number of Equity Shares held by them as of the date of filing this DRHP with SEBI, are as follows in the ascending order: -

Sr. No.	Name	No. of Equity Shares	Percentage
1.	Mr. Anil Satpute	1,21,69,111	60.85
2.	Duplex Ventures Private Limited	37,00,000	18.50
3.	Varad Constructions Private Limited	30,00,000	15.00
4.	Mrs. Kanchan Anil Satpute	8,44,145	4.22
5.	Asha Ventures Private Limited	2,50,000	1.25
6.	Mr. Anand Satpute	36,444	0.18
7.	Mr. Rajendra Rajaram Desai	75	-
8.	Mr. Ashok Deosthali	76	-
9.	Mr. Shashikant Awati	76	-
10.	Mr. Prakash Patil	73	-
TOTAL		2,00,00,000	100.00

- b) Our shareholders and the number of Equity Shares held by them 10 (ten) days prior to filing the DRHP with SEBI, is as follows are as follows in the ascending order: -

Sr. No.	Name	No. of Equity Shares	Percentage
1.	Mr. Anil Satpute	1,21,69,111	60.85
2.	Duplex Ventures Private Limited	37,00,000	18.50
3.	Varad Constructions Private Limited	30,00,000	15.00
4.	Mrs. Kanchan Anil Satpute	8,44,145	4.22
5.	Asha Ventures Private Limited	2,50,000	1.25
6.	Mr. Anand Satpute	36,444	0.18
7.	Mr. Rajendra Rajaram Desai	75	-
8.	Mr. Ashok Deosthali	76	-
9.	Mr. Shashikant Awati	76	-
10.	Mr. Prakash Patil	73	-
TOTAL		2,00,00,000	100.00

- c) Our top 10 (ten) shareholders and the number of Equity Shares held by them 2 (two) years prior to date of filing of this DRHP with SEBI is as follows.

Sr. No.	Name	No. of Equity Shares	Percentage
1.	Mr. Anil Satpute	32,21,200	51.60
2.	Mr. Anand Satpute	15,23,900	24.40
3.	Mrs. Kanchan Anil Satpute	15,00,000	24.00
TOTAL		62,45,100	100.00

- d) Details of the shareholding of our Company as on the date of filing of this DRHP: -

Particulars	Pre- Issue		Post- Issue	
	No. of Equity Shares	Percentage of Equity Share capital (%)	No. of Equity Shares	Percentage of Equity Share capital
Promoters (A)				
Mr. Anand Satpute	36,444	0.18	36,444	[●]
Mr. Anil Satpute	1,21,69,111	60.84	1,21,69,111	[●]
Sub Total (A)	1,22,05,555	61.02	1,22,05,555	[●]
Promoter Group (B)				
Mrs. Kanchan Satpute	8,44,145	4.22	8,44,145	[●]
Duplex Ventures Private Limited	37,00,000	18.5	37,00,000	[●]
Sub Total (B)	45,44,145	22.72	45,44,145	[●]
Total Holding of Promoters and Promoter Group (C=A + B)	1,67,49,700	83.74	1,67,49,700	[●]
			[●]	
Others (D)			[●]	[●]
Individual (E)	300	0.00	[●]	[●]
Body Corporate (F)	32,50,000	16.26	[●]	[●]
Total holding of Others (D=E+F)	32,50,300	16.26	[●]	[●]
Total	2,00,00,000	100.00	[●]	100.00

The Shareholding pattern of the Company as per Clause 35 of the Listing Agreement is as follows:

Category of Shareholder	No. of Share holders	Total No. of Shares	Shares held in Dematerialise d Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / HUF	3	13049700	-	65.25	65.25	-	-
Bodies Corporate	1	3700000	-	18.50	18.50	-	-
Any Others							
Persons Acting in Concert	-	-	-	-	-	-	-
Sub Total	4	16749700	-	83.75	83.75	-	-
(2) Foreign	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)	4	16749700	-	83.75	83.75	-	-
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-
Any Others (Specify)	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-
(2) Non-Institutions				-	-		
Bodies Corporate	2	3250000	-	16.25	16.25	-	-
Individuals							
Individual shareholders holding nominal share capital up to ₹ 1 lakh	4	300	-	-	-	-	-
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-
Any Others (Specify)	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-
Directors & their Relatives & Friends	-	-	-	-	-	-	-
Sub Total	6	3250300		16.25	16.25	-	-
Total Public shareholding (B)	6	3250300		16.25	16.25	-	-
Total (A)+(B)	10	20000000		100.00	100.00	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
(1) Promoter & Promoter Group	-	-	-	-	-	-	-
(2) Public	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-
Total (A)+(B)+(C)	10	20000000	-	100.00	100.00	-	-

8. Except as disclosed below, none of our directors or Key Management Personnel hold Equity Shares in our Company: -

Name	Number of Equity Shares held	Percentage of the issued share capital (%)
Mr. Anand Satpute (Director)	36,444	0.18
Mr. Anil Satpute (Director)	1,21,69,111	60.85
Mr. Shashikant Awati (Director)	76	-
TOTAL	1,22,05,631	61.03

9. Our Company, Directors and the BRLM have not entered into any buy-back or standby / safety net arrangements for the purchase of the Equity Shares of our Company from any person. There are no financing arrangements wherein the Promoter Group, the Directors of our Company and relatives of the Directors of our Company have financed the purchase by any other person of securities of our Company, during the period of 6 (six) months immediately preceding the date of filing this DRHP.
10. No shares of our Company have been pledged by the Promoter or the Promoter Group.
11. Our Company has not issued any bonus shares out of revaluation of reserves.
12. As on the date of this DRHP, BRLM does not hold any Equity Shares in our Company.
13. Our Promoters and members of the Promoter Group and BRLM will not participate in this Issue.
14. Our Company has not issued Equity Shares out of revaluation reserves and for consideration other than cash.
15. Other than the transaction mentioned above, there has been no purchase or sale of Equity Shares by the Promoters, the Promoter Group, our Directors and their immediate relatives during the 6 (six) months immediately prior to the filing of this DRHP with SEBI.
16. Our Company has not made any public issue since its incorporation.
17. We do not have any intention or proposal to alter our capital structure for a period starting 6 (six) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further Public issue or Qualified Institutional Placement. Further, if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures, subject to approvals as may be required.
18. Our Company has not raised any bridge loan against the proceeds of the Issue.
19. Investors may note that in case of over subscription, not more than 50% of the Issue shall be available for allocation to QIBs on a proportionate basis. Provided that our Company may allocate up to 30% of the QIB Portion, to Anchor Investors, on a discretionary basis ("Anchor Investor Portion"). *For details, see "Issue Procedure" on page 235.* Further, 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non- Institutional Bidders and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price.

20. Under subscription, in any category, shall be allowed to be met with spill over from the other categories or combination of categories by our Company and the BRLM in consultation with the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines, subject to valid bids being received at or above the Issue Price.
21. An over-subscription to the extent of 10% of the offer to public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to [●] Equity Shares, which is the minimum bid lot in this Issue.
22. The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on date. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up shares.
23. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the DRHP with SEBI until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Issue.
24. As per the extant policy, OCBs are not permitted to participate in the Issue.
25. There are no outstanding warrants, options or right to convert debentures, loans or other financial instruments into our Equity Shares as on the of this DRHP.
26. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.
27. We have availed financial facilities from the State Bank of India, Dhanlaxmi Bank Limited, Yes Bank Limited and ICICI Bank Limited. In respect of various agreements entered into by our Company with our lender and sanction letters issued by our lender to us, we are bound by certain restrictive covenants.
28. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receives Allotments, if any, in this Issue.
29. As on date of filing this DRHP, our Company has 10 (ten) shareholders.

SECTION V - OBJECTS OF THE ISSUE

The main objects of the Issue are:-

1. To finance the cost of setting up a new unit for manufacture of Wires and Cables.
2. To finance the cost of expansion of existing unit at Silvassa for manufacture of Bare and Insulated Copper Strips and Conductors.
3. To finance the margin money requirement for working capital
4. To meet Issue Expenses
5. To get the equity shares of our Company listed on the Stock Exchanges

The main objects and objects incidental or ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

The Proceeds of the Issue:

Particulars	Estimated Amount (₹ in lacs)
Gross Proceeds of the Issue	12500
Issue related expenses	600
Net Proceeds of the Issue	11900

Appraisal

The proposed new unit for manufacture of wires and cables and the proposed expansion of existing Unit at Silvassa for which the proceeds of the issue are proposed to be utilised have not been appraised by any bank or financial institution. The cost of the project is based on the estimates of our management.

Project Cost

The break up of project cost as estimated by the management is as under :-

(₹ in Lacs)			
Particulars	Wire and Cable Unit	Expansion at Silvassa	Total
Land	500.00	-	500.00
Building & Civil Works	1,532.47	251.45	1,783.92
Plant & Machinery			
a) Indigenous	4047.58	1826.35	5873.93
b) Imported	83.64	44.21	127.85
Miscellaneous Fixed Assets	337.93	153.00	490.93
Electrical Installations	387.00	160.00	547.00
Pre-operative Expenses	137.40	159.26	296.66
Provision for contingencies	206.66	73.05	279.71
Total (A)	7,232.68	2,667.32	9,900.00
Margin money for working capital (for proposed new unit and expansion)			2,000.00
Issue related expenses			600.00
Total (B)			2,600.00
Grand Total (A+B)			12,500.00

Means of Finance

The above-mentioned cost of project is proposed to be financed entirely out of the proceeds of the Issue::

Particulars	₹ in lacs
Proposed Public Issue of Equity shares	12,500.00
Total	12,500.00

The funds requirements for the objects of the Issue, as set out above, are based on management estimates and quotations obtained from third parties. These have not been independently appraised by any bank or financial institution.

Deployment of Funds & Sources of Funds

We have incurred the following expenditure on the project during FY 2012 till July 15, 2011 as certified by our Statutory Auditor, Mr. Avinash Jeevan Utgikar, Chartered Accountant vide his letter dated July 18, 2011

Expenditure Head	Amount (₹ in Lacs)
Deployment of Funds	
Pre-Operative Expenses	21.86
Issue Expenses	6.96
Total	28.82
Sources of Funds	
Internal resources	28.82
Total	28.82

Schedule of Deployment of Funds towards the Object of the Issue is as under :

Activities	New Unit		Expansion		Total
	FY 2012	FY 2013	FY 2012	FY 2013	
Land	500	-	-	-	500
Site Development, Civil Works and Building Construction	269.12	1,263.35		251.45	1783.92
Plant & Machinery (including Equipments)		4,131.22	500	1,370.56	6001.78
Miscellaneous Fixed Assets	-	337.93	-	153	490.93
Electrical Installations	-	387.00	-	160	547
Pre-operative Expenses	137.40	-	159.26	-	296.66
Contingencies	-	206.66	-	73.05	279.71
Total (A)	906.52	6,326.16	659.26	2,008.06	9,900.00
Margin money for working capital					2,000.00
Issue Expenses					600.00
Total (B)					2,600.00
Total (A+B)					12,500.00

DETAILS OF THE OBJECTS OF THE ISSUE

We propose to set up a new unit in or around Pune for manufacture of Wires and Cables having an installed capacity of 8,480 MTPA and expand our existing unit at Silvassa for manufacture of Bare Copper Strips and Insulated Copper Strips by installing additional capacity of 10,800 MTPA.

RATIONALE FOR THE PROJECT

Wires & Cables:

Setting up of a unit to manufacture Wires & Cables is a natural extension of the existing product line of our company. Having established ourselves in bare copper wire industry for past 10 years and having been closely associated with the Wire and Cable industry as a manufacturer and supplier, we now propose to set up Wires & Cables manufacturing unit as a forward integration initiative.

Products to be manufactured	Proposed Capacity
HV Cable	1,500.00
Flexible Cable (Single & Multi core)	3,000.00
Solid Conductors (Armoured or Unarmoured)	4,380.00
Total Capacity	8,480.00

Bare & Insulated Copper Strips & Conductor:

In order to meet the requirement of strips (both bare & insulated) from the power sector which is expected to witness significant growth, we plan to set-up additional facilities at the existing location of Silvassa. The proposed units envisages manufacture of Bare Copper Strips, Fibre Glass covered Varnish Bonded Copper Strips, Kapton Film (DuPont) covered Copper Strips, Enamel coated Copper Strips and Paper covered Copper Strips with an installed capacity of 10,800 MTPA.

(MTPA)			
Products to be manufactured	Proposed capacity	Existing Capacity	Post Expansion
Bare Copper Strips	4,800	3,600	8,400
Fibre Glass covered varnish bonded copper strips	1,500		1,500
Kapton film covered copper strips	1,500		1,500
Paper covered copper strips	1,500		1,500
Enamel coated copper strips	1,500		1,500
Total Capacity	10,800	3,600	14,400

1. SETTING UP OF NEW UNIT FOR MANUFACTURE OF WIRES AND CABLES

We propose to manufacture Single Core Flexible Cables, Multicore Flexible Cables, Unarmoured Power Cable, Armoured Power Cable and High Voltage Cables in the new unit.

Details of Fund Requirements

Particulars	Amount (₹ in Lacs)
Land	500.00
Site Development, Civil Work and Building Construction	1532.47
Plant & Machinery	4,131.22
Miscellaneous Fixed Assets	337.93
Electrical Installation	387.00
Pre-Operative Expenses	137.40
Contingencies	206.66
Total	7,232.68

Land

We propose to acquire about 8 acres (3,50,000 sq.ft approximately) of land in or around Pune. We have not yet identified the land for this purpose and are yet to enter into any definite agreement for the purchase of the same. The total cost for land and registration and stamp duty charges for the unit has been estimated at ₹ 500 Lacs, based on prevailing rates for land in the location. The details are as mentioned below:-

Sr.No.	Particulars	Amount (₹ in Lacs)
1	Land - Outright Purchase/Long Lease	400.00
2	Stamp Duty & Registration	20.00
3	Other incidental costs	80.00
	Total	500.00

Site Development, Civil Work and Building Construction

We propose to deploy part of the proceeds of the Issue towards the site development, civil work and building construction on 1,25,000 sq.ft built up area, amounting to ₹ 1,532.47 Lacs for our Wires and Cables manufacturing unit.

The break up of the cost is as given in the table below and is based on the estimates received from M/s. Kayvees Associates, Interior & Civil Contractors, having their office at Devika, 128/B, Plot No 3, Office No 2, Shramik Society, Paud Road, Pune, vide their letter dated July 01, 2011.

Sr.No.	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
I	Plinth Work				
1.	Excavation in RCC & weathered rock & carting away excavated material outside inclusive of lineout, setting out total station, shoring, strutting, dewatering, backfilling, watering, ramming, dewatering, back fitting, watering, compaction & depositing of excess earth out of the premises, approval for the same, for all depths, height, lead, lift etc	3660.15	Cu.Mtr.	480	17.57
2.	Dewatering by motor pump as directed outside the plot through Chambers & pipelines at site including all machineries, fittings, pipelines, valves, starter, cabling, repairs etc.	250	Per hour per pump	800	2.00
II	Plain Cement Concrete				
1.	Footing/Foundation	340.23	Cu.Mtr.	3423	11.65
2.	Below Trimix Flooring	1127.00	Cu.Mtr.	3423	38.58
3.	Below Road Work	1979.00	Cu.Mtr.	3423	67.74
4.	Integral mixing of rubble of suitable size upto 33% of concrete volume for all depths.	680	Cu.Mtr.	4213	28.65
III	Reinforced Cement Concrete				
1.	Footing	510.00	Cu.Mtr.	6165.25	31.44
2.	Tie Beam	177.08	Cu.Mtr.	6825.25	12.09
3.	Column below Main plinth level	171.83	Cu.Mtr.	6330.25	10.88
4.	Beams of all sizes	177.08	Cu.Mtr.	6495.25	11.50

Sr.No.	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
IV	Reinforcement Steel				
1.	High yield strength deformed bars or TMT with yield stress not less than 415 N/mm ²	41000	Kg	52	21.32
V	Masonry				
1.	Providing & construction brick work 150mm thick. Correct line, level, plumb including scaffolding, curing, racking etc. Providing & fixing wire mesh at the junction of masonry & RCC work including fixing with concrete nails etc for internal, external & ledge walls etc	1062	Sq. Mtr.	1098	11.66
2.	Providing & construction brick work 230mm thick. Correct line, level, plumb including scaffolding, curing, racking etc. Providing & fixing wire mesh at the junction of masonry & RCC work including fixing with concrete nails etc for internal, external & ledge walls etc	156.40	Cu.Mtr.	4307.65	6.74
3.	Providing & construction brick work 100/115mm thick. Correct line, level, plumb including scaffolding, curing, racking etc. Providing & fixing wire mesh at the junction of masonry & RCC work including fixing with concrete nails etc for internal, external & ledge walls etc	212.40	Sq. Mtr.	618.50	1.31
VI	Internal Plaster				
1.	Providing & applying in cement mortar 1:4 single coat of plaster as base coat/back coat on all types of surfaces with all thickness, beams, columns, staircases etc	1575	Sq. Mtr.	350.30	5.52
VII	External Plaster				
1.	Providing and applying upto 35mm thick external plaster in single coat at all heights upto 25mm thick base coat	1402	Sq. Mtr.	454.15	6.37
VIII	Tremix Concrete				
1.	Tremix concrete including leveling, Tremix treatment, groove cutting, filling the grooves with poly sulphide sealant, steel fibres, top hardness, plasticizer etc	2254	Cu.Mtr.	6132.85	138.23
IX	Murum filling in plinth	3660	Cu.Mtr.	150	5.49
1.	Owners Murum				
2.	Contractors Murum	5686.75	Cu.Mtr.	583	33.15
X	Soiling Work				
1.	Providing and laying 80mm size metal soiling 200 mm thick including compaction etc	2649.50	Cu.Mtr.	770	20.40
XI	Concrete Road Work				
1.	Tremix concrete including leveling, Tremix treatment, groove cutting, filling the grooves with poly sulphide sealant,	3958	Cu.Mtr.	6132.85	242.74

Sr.No.	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
	steel fibres, top hardness, plasticizer etc				
XII	Compound Wall				
1.	Excavation	342	Cu.Mtr.	480	1.64
2.	PCC	45.70	Cu.Mtr.	3423	1.56
3.	UCR (Below GL)	296.40	Cu.Mtr.	2625	7.78
4.	UCR (Super)	513	Cu.Mtr.	2625	13.47
5.	Pointing	2280	Sq. Mtr.	339	7.73
XIII	Windows				
1.	Providing & Fixing Aluminum sliding window	90	Sq. Mtr.	3357	3.02
XIV	Rolling Shutters				
	Providing & Fixing Automatic rolled up shutters	320	Sq. Mtr.	3760	12.03
XV	Sliding Gates				
	Providing & Fixing Motorized sliding Main Gates	40	Sq. Mtr.	7500	3.00
XIV	Painting Work				
1.	Providing & applying acrylic weather coat paint externally	1402.50	Sq. Mtr.	190	2.66
	Providing & applying washable distemper paint externally	1575	Sq. Mtr.	90.2	1.42
XV	Foundation Bolts				
1.	Providing & Fixing Foundation Bolts	6000	Kg	80	4.80
XVI	Fabrication Work				
1.	Providing & fabrication structural steel for columns, roof monitor, trusses, brackets, plates, stiffeners etc	750	M.T	63000	472.50
	Providing & fabrication structural steel for gantry, brackets, plates, stiffeners etc	125	MT	68000	85.00
XVII	Sheeting Work				
1.	Roofing sheet	13068	Sq. Mtr.	445	58.15
2.	End curves 300 mm width for roof monitor	385	Rmt	410	1.58
3.	Cladding sheet	5160	Sq. Mtr.	445	22.97
4.	Ridge Cap	480	Rmt	410	1.97
	Eaves flashing	700	Rmt	410	2.87
	Corner flashing	496	Rmt	410	2.03
	Masonry Trim	488	Rmt	410	2.00
	Eaves Gutter	384	Rmt	410	1.57
	Precoated Hollow section down spouts	220	Rmt	410	0.90
XVIII	Turbo Ventilators	100	Numbers	9500	9.50
XIX	Lube Oil Tank		Lump sum		12.50
XX	Piping Work				9.00
XXI	ETP Tank				7.50
XXII	Landscaping				
1.	Carpet Lawn	1000	Sq. Mtr.	323	3.23
2.	Plantation of Shrubs	31000	Numbers	15	4.65
3.	Plantation of small trees /Trees	500	Numbers	800	4.00
XXIII	Signage				
	Big Letters viewable from long distance fixed on building supported by M.S. Structure	1	Numbers	750000	7.50

Sr.No.	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
	Small Letters on the compound wall at the entrance	1	Numbers	40000	0.40
XXIV	Water Supply				
1.	Under ground Water Tank	15000	Litre	85	12.75
2.	Overhead Water Tank	5000	Litre	285	14.25
3.	Plumbing waterline connection				11.50
	Total				1532.47

Plant and Machinery (including Equipments)

An amount of ₹ 4,131.22 Lac is proposed to be invested in the plant and machinery for the proposed project. These machineries are proposed to be sourced through various suppliers and include machineries to be imported. No second hand machineries are proposed to be purchased.

The detailed estimates for plant and machinery and other equipments are as provided below:

Indigenous Machinery

Sr. No.	Particulars	Quotation Date	Quotation Number	Supplier/Manufacturer	Qty	Amount (₹ in Lacs)
1	High Speed 80/45mm Extrusion Insulating Line	02-Jul-11	11 RES 063	Royle Extrusion Systems Pvt Ltd, Pune	4	411.52
2	100mm LV Insulating Line	02-Jul-11	11 RES 064		1	107.49
3	120mm LV Sheathing Line	02-Jul-11	11 RES 065		1	134.97
4	65mm x 120mm x 80mm Medium Voltage Insulating Line	02-Jul-11	11 RES 066		1	223.03
5	65mm – 150mm - 80mm Triple Drycure C.C.V.System	02-Jul-11	11 RES 067		1	598.79
6	150mm Sheathing Line suitable for PVC / XLPE	02-Jul-11	11 RES 068		1	216.33
7	2600mm Steel Reel Rewinding Line	02-Jul-11	11 RES 069		1	44.02
8	Dual Driven Pay Off 630 DIA	08-Jul-11	015/2011-12	Machinotechniks Thane	4	13.00
9	Intermediate Wire Drawing Machine	08-Jul-11	015/2011-12		1	38.00
10	Inline Annealer for Rod	21-Jun-11	-		2	88.00
11	13-Die Rod Breakdown Machine	08-Jul-11	015/2011-12		1	164.00
12	13-Die Rod Breakdown Machine	08-Jul-11	015/2011-12		2	178.00
13	High Speed Tubular Stranding Machine 630 mm bobbin dia	08-Jul-11	015/2011-12		1	39.00
14	72B Rigid armouring machine RGS - 630 X 72B	08-Jul-11	015/2011-12		1	157.00
15	Rigid stranding machine Model RGS - 630 X 91B	08-Jul-11	015/2011-12		1	218.00
16	Extra quotation of Multi wire Drawing 16 WIRES from	08-Jul-11	015/2011-12		1	138.00
17	Extra quotation Double Twist Bunching Machine	08-Jul-11	015/2011-12		1	18.75
18	Conical Twin Screw Extruder Model KEM/156 PVC Compounding	17-Jun-11	-	Hindustan Plastic & Machine Corporation, Delhi	1	29.50

Sr. No.	Particulars	Quotation Date	Quotation Number	Supplier/Manufacturer	Qty	Amount (₹ in Lacs)
19	High Speed Mixer 300 Mixing Unit HPMC 300/600	18-Jun-11	-	Kanchan Engineering Works, Delhi	1	7.50
20	Hot Set Equipment As Per IS : 10810 Ambient - 250 deg c	22-Jun-11	-		1	0.50
21	Water Absorption Tester. As per IS : 10810 Ambient - 150 deg c	22-Jun-11	-		1	0.50
22	Tensile Tester 25 KN	22-Jun-11	-		1	0.61
23	Kelvin Bridge With Galvanometer	22-Jun-11	-		1	0.42
24	Hot Deformation Tester As Per IS : 10810	22-Jun-11	-		1	0.04
25	Air Circulation Oven Ambient to 250 deg c 450 x 450 x 450 mm	22-Jun-11	-		1	0.21
26	Electronic balance, capacity 200g - Dhona	22-Jun-11	-		1	0.18
27	HOT WATER BATH, 3 x 2 x 2ft. with digital temperature indicator 0 to 100 degree	22-Jun-11	-		1	0.33
28	HOT WATER BATH, 2 x 1 x 1ft.	22-Jun-11	-		1	0.19
29	Doumble cutting press with die, 4 x 75mm	22-Jun-11	-		1	0.11
30	Ageing oven test oven size 100mm (d) x 300mm (h)	22-Jun-11	-		1	0.17
31	Ageing oven - Two cell	22-Jun-11	-		1	0.32
32	Ageing oven - Four cell	22-Jun-11	--		1	0.61
33	AC high voltage test set	22-Jun-11	-		1	1.00
34	DC High voltage tester 0 - 3kva	22-Jun-11	-		1	0.12
35	AC spark tester 15kva with fault counter meter oil cooled	22-Jun-11	-		1	0.30
36	Thermal stability tester (25 no)	22-Jun-11	-		1	0.18
37	Conditioning Chamber with	22-Jun-11	-		1	0.57
38	Flammability Tester with burner	22-Jun-11	-		1	0.14
39	Torsion Tester for G.I. wire / strip	22-Jun-11	--		1	0.41
40	Smoke Density Tester as per ASTM	22-Jun-11	--		1	0.65
41	Oxygen index test apparatus	22-Jun-11	-		1	1.77
42	Oxygen index test apparatus Paramagnetic sensor	22-Jun-11	-		1	4.42
43	Swedish chiminey	22-Jun-11	-		1	0.14
44	Halogen Acid test apparatus as per IEC : 754	22-Jun-11	-		1	0.65
45	Hydrohic hot press with die	22-Jun-11	-		1	0.41
46	Million Mega Ohm METER	22-Jun-11	-		1	0.11
47	Flame retardance test	22-Jun-11	-		1	3.60
48	Multi Wire Drawing Line (16 Wires)	02-Jul-11	I_11_1589	Niehoff of India Pvt Ltd, Medak Dist., A.P.	1	330.32
49	Multi Wire Drawing Line (8 Wires)	02-Jul-11	I_11_1589		4	233.00
50	one Double Twist Bunching Line Type D 800 A	02-Jul-11	I_11_1589		1	67.43

Sr. No.	Particulars	Quotation Date	Quotation Number	Supplier/Manufacturer	Qty	Amount (₹ in Lacs)
51	Double Twist Bunching Line Type D 630 A	02-Jul-11	I_11_1588		1	36.17
	Total					3510.48

Imported Equipments

Sr. No.	Particulars	Quotation Date	Supplier/Manufacturer	Qty	USD (in \$)*	Amount (₹ in Lacs)
1	120 KV High voltage partial discharge test equipments	17-Jun-11	Wire Mac, China	1	1,61,200	72.54
	Total					72.54

*(Conversion rate for dollar is assumed at 1 USD = ₹ 45/-)

Summary of Cost of the Plant & Machineries

	(₹ in lacs)
Indigenous	3,510.48
Imported	72.54
	3,583.02
Add : Taxes and other levies @ 15.30%	548.20
Total	4,131.22

We have not placed orders nor entered into any written arrangements in connection with supply of these items and the fund requirements in connection with these are based on the quotations received from various vendors and suppliers.

Miscellaneous Fixed Assets

Miscellaneous fixed assets include costs towards spares and dies for main plant and machinery, boring machines for water, mobile cranes, weighing scales, gas pipes, acid pipes, forklifts, air conditioner, desktops, lab equipments, air compressors, commercial vehicles, workshop equipments and furniture & fixtures. The total cost under the above mentioned head has been estimated at ₹ 337.93 lac. This has been estimated by our management based on their experience and quotations received in the past by our company for similar equipments obtained for our existing plant. These equipments are generally available off-the-shelf and we would place orders on requirement basis.

Electrical Installation

The detailed estimates related to electrical works required for our new unit are as under:-

Sr.No.	Particular	Qty	Amount (₹ in Lacs)	Quotation
1.	2000 KVA Transformer	2	45.00	M/s. Pranav Enterprises, Consulting Engineers, Pune, Quotation dated July 05, 2011
2.	11kV HT Switchgear	1	15.00	
3.	Isolator Switch & Metering	1	15.00	
4.	Busduct		15.00	
5.	LT Switch gear panels & APFC Panel		55.00	
6.	320 KVA DG sets	2	35.00	
7.	11 KV HT cable		6.50	
8.	11 KV LT cabling, system		40.00	
9.	Light Fittings		12.50	
10.	Installation Testing & Commissioning		56.00	
11.	MSEDL Deposit & Fees		65.00	
12.	Liasioning & Consultancy fees		27.00	
	Total		387.00	

Pre-Operative Expenses

We have estimated pre-operative expenses of ₹ 137.40 Lacs including provisions towards trial run expenses, statutory expenses, consultancy charges etc likely to be incurred during implementation of the Wires and Cables project.

Contingencies

We have provided for ₹ 206.66 lacs (around 3% of Land, Civil Works & Building Construction, Plant & Machinery, Miscellaneous Fixed Assets, and Electrical Installation) towards any contingencies that may arise in the implementation and commissioning of the Wires and Cables project including increase in cost of plant and machinery, equipments and construction material and fluctuation in exchange rates. In the opinion of our management, the quantum of contingency provided is in consonance with the project size.

Schedule of Implementation

Particular	Date/Expected date of commencement	Date/Expected date of completion
Land	December 2011	March 2012
Site Development, civil work & building construction	April 2012	September 2012
Plant & Machinery and Other Miscellaneous Fixed Assets		
Placement of Orders	January 2012	March 2012
Delivery at Site	April 2012	June 2012
Erection and Installation	April 2012	October 2012
Electrical Installation	April 2012	October 2012
Trial Production	December 2012	
Commercial Production	January 2013	

We do not intend to utilize the net proceeds of the Issue to procure any second hand equipment/ machinery. The Promoters or the Directors or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or any of the entities from whom we have obtained quotations or intend to acquire machinery.

2. EXPANSION OF MANUFACTURING UNIT AT SILVASSA

We propose to expand our existing Bare Copper Strips manufacturing unit at Silvassa by installing additional capacity of 10,800 MT per annum. This would include facility to manufacture Bare Copper Strips and insulated copper strips viz. Fibre Glass covered Varnish Bonded Copper Strips, Kapton Film covered Copper Strips, Enamel coated Copper Strips and Paper covered Copper Strips. This expansion would enable us to enhance our range of products in strips and conductor segment. Expansion at Silvassa also confers fiscal and tax benefits on our Company.

Details of Fund Requirements

Particulars	Amount (₹ in Lacs)
Civil Works & Building Construction	251.45
Plant & Machinery (including Equipments)	1,870.56
Miscellaneous Fixed Assets	153.00
Electrical Installation	160.00
Pre-Operative Expenses	159.26
Contingencies	73.05
Total	2,667.32

Land

There is no requirement of additional land as the proposed expansion will be implemented on the existing plot of land owned by our company.

Civil Works & Building Construction

Our Company has estimated an expenditure of approximately ₹ 251.45 Lacs towards Civil Work and Building Construction on existing manufacturing unit for expansion.

The break-up of the cost is as given in the table below and is based on the estimates received from M/s Kayvees Associates, Interior & Civil Contractors vide their letter dated July 26, 2011 :

Sr.No	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
I	Plinth Work				
	Excavation in RCC & weathered rock & carting away excavated material outside inclusive of lineout, setting out by Total Station, shoring, strutting, dewatering, backfilling, watering, ramming, compaction and disposing off excess earth out of the premises, approval for same, for all depths, lead, lift, height etc complete	1307	Cu.mtr.	480	6.27
	Dewatering by upto 5hP motor pump as directed upto outside of plot thru.				1.02

Sr.No	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
	Chambers & pipelines existing at site including all machinery, fittings, pipelines, valves. starter, cabling, connection , safety precautions, repairs etc complete.(Under special conditions when item is executed as per STPMC's instructions it is payable, otherwise dewatering is included in rates for excavations, breaking, PCC, RCC foundation, masonry works)	127	per hour per pump	800	
II	Plain Cement Concrete				
	Footings / Foundation	35.70	Cu.mtr.	3423	1.22
	Below Trimix Flooring	82.80	Cu.mtr.	3423	2.83
	Below Road Work	158.00	Cu.mtr.	3423	5.41
	Plum concrete in M15	145.70	Cu.mtr.	4213	6.14
III	Reinforced Cement Concrete				
	Footing	153.00	Cu.mtr.	6165.25	9.43
	Tie beam	220.00	Cu.mtr.	6825.25	15.02
	Column below Main plinth lvl	66.00	Cu.mtr.	6330.25	4.18
	horizontal slab of all thk at 6.1m lvl	33.90	Cu.mtr.	6825.25	2.31
	Beams of all sizes	21.70	Cu.mtr.	6495.25	1.41
IV	Reinforcement Steel				
	High yeild strength deformed bars or TMT with yeild stress not less than 415	12300	kg	52	6.40
V	Masonry				
	Providing & constructing brick work 150mm thick by using best quality bricks of approved manufacture in c.m. 1 :5 to correct line,level &plumb including scaffolding, curing, racking out joints etc. complete As per drawing & specification & also including Providing & fixing 300mm wide 20 guage G.I. chicken wire mesh at the junction of masonry & RCC work including fixing with concrete nails etc. for internal, exteral & ledge walls etc	118	Sq. Mtr.	1098	1.30
	Do same as above but for brickwork in 230mm thick	151.4	Cu.mtr.	4307.65	6.52
	Do same as above but for brickwork 100/115mm thick & in C.M. 1:4, including providing R.C.C. stiffeners of M15 mix of 100mm thickness at every 1.2 m height as directed including formwork, scaffolding, racking out joints, curing etc.. ,complete (excluding the cost of reinforcement which shall be paid separately in relevant item), for internal walls, ledge walls etc	71.4	Sq. Mtr.	618.5	0.44

Sr.No	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
VI	Internal Plaster				
	Providing & applying in cement mortar 1 :4 single coat of plaster as base coat /back coat on all types of surfaces; with all thickness to ceilings, walls , beams, columns, staircases etc. including making the surface in true line, level & plumb & of finish & texture desired / instructed for receiving POP/Gypsum, Wall Putty (<i>Randha</i> finish) or dado tile, cladding (<i>tar</i> finish) etc	1107	Sq. Mtr.	350.3	3.88
VII	External Plaster				
	Providing and applying upto 35mm thick external plaster in single coat at all heights upto 25 mm thick base coat of C.M. 1 :3 mixed with water proofing compound as per manufactures instructions & finished with second coat of minimum 5mm thick mortar(1 :3) on all types of concrete, masonry surface including drip moulds, grooves, bands, strips, chamfers, scaffolding, safety, barricade, cover, curing, weather & neighbour protection etc complete as directed	1209	Sq. Mtr.	454.15	5.49
VIII	External Plaster				
	Tremix concrete incl. leveling, Tremix treatment, groove cutting, filling the grooves with poly sulphide sea lent, using 1 0 Kg / Cum dramix steel fibres, 3 Kg / Sqm Floor Top hardners, plasticiser etc	248.4	Cu.mtr.	6132.85	15.23
IX	Murum filling in plinth				11.37
X	Soiling Work				
	Providing and laying 80mm size metal soiling 200 mm thick including compaction etc	364	Cu.Mtr.	770	2.80
XI	Concrete Road Work				
	Tremix concrete including leveling, Tremix treatment, groove cutting, filling the grooves with poly sulphide sealant, steel fibres, top hardness, plasticizer etc	474.90	Cu.Mtr.	6132.85	29.12
XII	Compound Wall				
	Excavation	173.34	Cu.Mtr.	480	0.83
	PCC	16.07	Cu.Mtr.	3423	0.55
	UCR (Below GL)	128.61	Cu.Mtr.	2625	3.38
	UCR (Super)	241.14	Cu.Mtr.	2625	6.33
	Pointing	1071.75	Sq. Mtr.	339	3.63
XIII	Windows				
	Providing & Fixing Aluminum sliding	75.63	Sq. Mtr.	3357	2.54

Sr.No	Particulars	Qty/Area	Unit	Rate in ₹	Amount (₹ in Lacs)
	window				
XIV	Rolling Shutters				
	Providing & Fixing Automatic rolled up shutters (motorised)	96	Sq. Mtr.	3760	3.61
XV	Sliding Gates				
	Providing & Fixing Motorized sliding Main Gates	15	Sq. Mtr.	7500	1.13
XIV	Painting Work				
	Providing & applying acrylic weather coat paint externally	1790	Sq. Mtr.	190	3.40
	Providing & applying washable distemper paint externally	1403	Sq. Mtr.	90.2	1.27
XV	Foundation Bolts				
	Providing & Fixing Foundation Bolts	1215	Kg	80	0.97
XVI	Fabrication Work				
	Providing & fabrication structural steel for columns, roof monitor, trusses, brackets, plates, stiffners etc	55.7	M.T	63000	35.09
	Providing & fabrication structural steel for gantry, brackets, plates, stiffners etc	10.37	MT	68000	7.05
XVII	Sheeting Work				
	Roofing sheet	1098	Sq. Mtr.	445	4.89
	End curves 300 mm width for roof monitor	70.3	Rmt	410	0.29
	Cladding sheet	809.1	Sq. Mtr.	445	3.60
	Ridge Cap	117	Rmt	410	0.48
	Eaves flashing	197	Rmt	410	0.81
	Corner flashing	309	Rmt	410	1.27
	Eaves Gutter	70.3	Rmt	410	0.29
	Precoated Hollow section down spouts	15.37	Rmt	410	0.06
XVIII	Turbo Ventilators	37	Nos	9500	3.52
XIX	Lube Oil Tank		Lump sum		7.52
XX	Piping Work				6.75
XXI	ETP Tank	1	No	427000	4.27
XXII	Landscaping				
	Carpet Lawn	415	Sq. Mtr.	323	1.34
	Plantation of Shrubs	2700	Nos	75	2.03
	Plantation of small trees /Trees	300	Nos	800	2.40
XXIII	Signage				
	Big Letters viewable from long distance fixed on building supported by M.S. Structure	1	Nos	370000	3.70
	Small Letters on the compound wall at the entrance	1	Nos	68000	0.68
	TOTAL				251.45

Plant & Machinery (including Equipments)

The expenditure towards plant and machinery is estimated at ₹ 1,870.56 Lacs. The details of plant and machinery required are as follows:

Indigenous Machinery

Sr. No.	Particulars	Quotation Date	Quotation Number	Supplier/ Manufacturer	Qty	Amount (₹ in Lacs)
1	Hot Rolling Mill	08-Jul-11		Coptech Engineering, Indore	1	133.00
2	Heavy duty slitting machine	08-Jul-11	Coptech/30/2011		1	80.00
3	Light duty slitting machine	08-Jul-11	Coptech/30/2011		1	12.00
4	hood type Bogie furnace	08-Jul-11	Coptech/30/2011		1	45.00
5	Draw Bench	08-Jul-11	Coptech/30/2011		1	28.00
6	Bright Annealing furnace	08-Jul-11	Coptech/30/2011		1	30.00
7	Pointing Mill	08-Jul-11	Coptech/30/2011		1	20.00
8	Hydraulic press 100 tons	08-Jul-11	Coptech/30/2011		1	13.00
9	Hydraulic Press 60 tons	08-Jul-11	Coptech/30/2011		1	10.00
10	Flattening Mill	08-Jul-11	Coptech/30/2011		1	30.00
11	Flattening Edge Rolls	08-Jul-11	Coptech/30/2011		1	7.50
12	Adjustable Die Set 25 to 50 MM	08-Jul-11	Coptech/30/2011		1	1.25
13	Adjustable Die Set 50 to 100 MM	08-Jul-11	Coptech/30/2011		1	2.75
14	Adjustable Die Set 100 to 150 Mm	08-Jul-11	Coptech/30/2011		1	3.25
15	Double Fibre Glass Covering and Varnish Bonding Machine with bobbin	08-Jul-11	Coptech/30/2011		1	58.00
16	Servo Motor Controlled 2 Layer Kapton taping Machine with bobbin	08-Jul-11	Coptech/30/2011	Coptech Engineering, Indore	1	80.00
17	High Speed Servo Motor Controlled 8 layers paper taping Machine	08-Jul-11	Coptech/30/2011		1	30.00
18	Vertical Strip Enamelling Plant	08-Jul-11			1	35.00
19	Vertical Wire Enamelling Plant Heavy for 2 mm to 5 mm copper wire	08-Jul-11			1	25.00
20	Melting Furnace	08-Jul-11	Coptech/30/2011		1	20.00
21	Machine for making billet	08-Jul-11	Coptech/30/2011		1	10.00
22	Mould Carrier (being small area considered with Melting Furnace only)	08-Jul-11	Coptech/30/2011		1	6.50
23	Billet Reheating Furnace	08-Jul-11	Coptech/30/2011		1	32
24	2 Hi cold rolling mill	08-Jul-11	Coptech/30/2011		1	90
25	4 Hi cold rolling mill	08-Jul-11	Coptech/30/2011		1	325
26	6 Hi cold rolling mill	08-Jul-11	Coptech/30/2011		1	450
27	Electronic Vertical Testing Machine	11-Jun-11	Coptech/30/2011	MCS Mechatronics, Thane	1	3.75
28	Computerised Vickers Hardness Testing M/c	11-Jun-11	Coptech/30/2011		1	3.00
	Total					1584.00

Imported Machinery

Sr.No.	Particulars	Quotation Date	Quotation Number	Supplier/ Manufacturer	Qty	Amount (USD \$)	Amount * (₹ in Lacs)
1	Spectrometer spark emission with oxygen analyser Spectrolab	08-Jul-11	SAI/AIPL/CE/2	Ametek Instruments India Pvt Ltd	1	85200	38.34
	Total						38.34

*(Conversion rate of US Dollar is assumed at 1 USD = ₹ 45/-)

Summary of Cost of Plant & Machinery

	(₹ in lacs)
Indigenous	1,584.00
Imported	38.34
	1,622.34
Add : Taxes and Levies @ 15.30%	248.22
Total	1,870.56

We have not placed orders or entered into any written arrangements in connection with the aforesaid plant and machinery and the fund requirements mentioned above are based on the quotations received from prospective vendors and suppliers.

Miscellaneous Fixed Assets

The cost of Miscellaneous fixed assets includes costs towards spares and dies for the main plant & machinery, mobile cranes, weighing scales, gas pipes, acid pipes, forklifts, lab equipments, air conditioning units, air compressors, workshop equipments and furniture & fixtures. The total cost under the above mentioned heads has been estimated at ₹ 153 lacs. The cost has been estimated by the management based on their past experience of and expenditure incurred on similar items in the past. These equipments are available with minimum lead-time and we would place orders on a requirement basis.

Electrical Installation

The detailed estimates related to electrical works required for expansion of our unit at Silvassa are as under:-

Sr.No.	Particular	Qty	Amount (₹ in Lacs)	Quotation
1.	630 KVA Transformer	2	15.00	Pranav Enterprises, Consulting Engineers, quotation dated July 05, 2011
2.	22kV HT Switchgear	1	14.00	
3.	LT Switch gear panels & APFC Panel		15.00	
4.	250 KVA DG sets	2	30.00	
5.	22 KV HT cable		3.50	
6.	1.1 KV LT cabling, system		20.00	
7.	Light Fittings		10.50	
8.	Installation Testing & Commissioning		18.00	
9.	MSEDL Deposit & Fees		20.00	
10.	Liasioning & Consultancy fees		14.00	
	Total		160.00	

Pre-Operative Expenses

We have estimated pre-operative expenses of ₹ 159.26 Lacs including provisions towards trial run expenses, statutory expenses, establishment cost, turnkey consultancy charges etc likely to be incurred during implementation and commissioning of the project.

Contingencies

We have provided for ₹ 73.05 lacs (around 3% of Civil Works & Building Construction, Plant & Machinery, Miscellaneous Fixed Assets, and Electrical Installation) towards any contingencies that may arise in the implementation and operation of the project including increase in cost of plant & machinery, equipments and construction material and fluctuation in exchange rates. The quantum of contingency provided is in consonance with the project size.

Schedule of Implementation

Particular	Date/Expected date of commencement	Date/Expected date of completion
Civil Work & Building Construction	April 2012	September 2012
Plant & Machinery and Other Miscellaneous Fixed Assets		
Placement of Orders	January 2012	March 2012
Delivery at Site	April 2012	June 2012
Erection and Installation	April 2012	October 2012
Electrical Installation	April 2012	October 2012
Trial Production	December 2012	
Commercial Production	January 2013	

We do not intend to utilize the proceeds of the Issue to procure any second hand equipment/ machinery. The Promoters or the Directors or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or in any of the entities from whom we have obtained quotations/or from whom we intend to acquire the plant and machinery.

3. Working Capital Requirement

For the FY 2011, our Company enjoyed working capital facilities with State Bank of India, Yes Bank Limited, and Dhanlaxmi Bank Limited to the tune of Rs. 7,091.34 lacs. The summarized position of utilization as on March 31, 2011 based on the audited accounts of our company, is as under:-

(₹ in Lacs)

Particulars	March 31, 2011 (Audited)
Current Assets	
Raw Material and Consumables	1,352.97
Finished Goods	3,543.42
Debtors	
Domestic	2,533.69
Export	18,477.68
Other Current Assets	4,494.47
Total Current Assets (A)	30,402.23
Current Liabilities	
Creditors	
Domestic	6,603.39
Export	5,137.30
Other Current Liabilities	3,491.75
Total Current Liabilities (B)	15,232.44
Net Working Capital (A-B)	15,169.79
Funding Pattern	
a) Banking Finance	7,091.34
b) Internal Accrual	8,078.45

The proposed new unit for manufacture of Wires and Cables and the expansion of existing unit at Silvassa are expected to go on stream by January 2013. We have estimated an amount of ₹ 3,707.58 lacs as the Margin Money requirement for working capital purposes. Out of this, ₹ 2,000 lacs is proposed to be financed out of the proceeds of the Issue and balance from our internal sources. The basis of calculation of the margin money requirement is as under:

(₹ in Lacs)		
Particulars	Holding level	Post Expansion (Estimated)
Current Assets		
Raw Material and Consumables	30 days	2,152.40
Work in Progress	30 days	609.74
Finished Goods	30 days	1,118.21
Debtors		
- Domestic	120 days	10,881.61
- Export		-
Other Current Assets		68.37
Total Current Assets (A)		14,830.33
Current Liabilities		
Creditors		
- Domestic	30 days	1,399.06
- Import	90 days	2,260.02
Other Current Liabilities		631.61
Total Current Liabilities (B)		4,290.69
Working Capital Gap (A-B)		10,539.64
Net Working Capital (25% of A)		3707.58
Eligible Bank Finance		6832.06
Net Working capital to be financed by:		
- Proceeds of IPO		2000.00
- Internal sources		1707.58
Total		3707.58

The above estimates are based on the management's estimate and have not been appraised by any bank.

11. Issue Expenses

The estimated issue related expenditure is as follows:-

Sl. No.	Particulars	Amount (₹ in lacs)	% of total estimated issue expenditure	% of issue size
1.	Fees of the Lead Manager, underwriting, brokerage and selling commission	300.00	50%	2.40%
2.	Advertising & Marketing expenses, printing & stationery, distribution, postage etc.	150.00	25%	1.20%
3.	Other expenses (Legal Advisors, Auditors, Grading Agency, Registrars to the Issue, other Advisors, Bankers to the Issue, Processing fees of SCSEBs, Fees of SEBI, Stock Exchange, ROC etc.)	125.00	20.83%	1.00%
4.	Miscellaneous	25.00	4.17%	0.20%
	Total	600.00	100.00%	4.80%

Bridge Financing Facilities

We have currently not raised any bridge loans against the Proceeds of the Issue. However, depending on project requirements, we might consider raising bridge financing facilities, pending receipt of the Proceeds of the Issue.

Interim Use of Funds

Our management, in accordance with the policies established by our Board from time to time, will have flexibility in deploying the issue proceeds. Pending utilisation for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration. Such investments will be approved by the Board or its committee from time to time, in accordance with its investment policies.

Shortfall of Funds

In case of any shortfall in the proceeds to meet the objects mentioned above, our management may explore a range of options, including utilizing internal accruals or seeking debt or additional equity. In case of surplus funds either due to lower utilization than what is stated above or surplus Net Proceeds after meeting all the above mentioned objects, such surplus shall be utilised towards general corporate purposes. Alternatively, if surplus funds are unavailable or in the event of cost overruns, we expect that a shortfall will be met by way of such means available to our Company including internal accruals and/or appropriate debt or equity arrangements, subject to the provisions of this DRHP, as may be required.

Monitoring utilisation of funds from the Issue

The Board will monitor the utilisation of the Net Proceeds. Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with details, for all such Net Proceeds that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to the listing. Pursuant to Clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee, the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this DRHP and place it before the Audit Committee. Such disclosure shall be made until such time that all the Net Proceeds have been utilised in full. The statement will be certified by the statutory auditors of our Company.

In accordance with Clause 43A of the Listing Agreement, the Company shall furnish to the Stock Exchanges on a quarterly basis a statement including material deviations, if any, in the utilisation of the proceeds of the Issue for the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee. Further, on an annual basis, the Company shall prepare a statement of funds utilised for purposes other than those stated in this DRHP and place it before the Audit Committee. Such disclosure shall be made until such time as the Net Proceeds has been fully spent. The statement shall be certified by the statutory auditors of the Company.

Other Confirmations

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

In the event we are unable to obtain any of the approvals that are currently pending in relation to the projects described in this section and the non-receipt of such approval makes the project unviable, then our management will decide on the utilization of the Net Proceeds for other objects or other uses in accordance with the policies of our Board and in compliance with the provisions of the Companies Act and other applicable laws.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered by way of book building process. The face value of the equity shares is ₹ 10/- and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Qualitative Factors

- We are an established company engaged in the business of copper wires and allied products since last 15 years.
- Our promoters are professionally qualified entrepreneurs. Mr. Anand Satpute, one of our promoters has 40 years of experience in this field.
- Our products find application in the infrastructure sector, such as power transmission and distribution, telecom, construction besides automotive and electronic segments. The user industries have been witnessing significant growth.
- We have established domestic customer base and are building relationships with overseas customers.
- Our Company has been awarded the status of “Star Export House” by the Ministry of Commerce and Industries, Government of India
- Our Company is ISO 9001:2000 certified
- Our proposed project for manufacture of Wires and Cables is a forward integration initiative which is expected to lead to further value addition to our Company. Our expansion project at Silvassa is expected to broaden our product profile and thereby our market reach.

For more information, please refer to the Chapter “*Business Overview*” beginning on page no. 107 of this DRHP.

Quantitative Factors

Information presented in this section is derived from our audited restated standalone financial statements prepared in accordance with Indian GAAP.

Some of the quantitative factors which form the basis for computing the Issue Price are as follows :

Weighted Average Earnings Per Share (EPS)

Period	EPS (₹)	Weights
Year ended March 31, 2009	6.23	1
Year ended March 31, 2010	5.60	2
Year ended March 31, 2011	15.31	3
Weighted Average EPS	10.56	

Notes:

1. EPS calculations are done in accordance with Accounting Standard 20 “Earnings per Share” issued by the Institute of Chartered Accountants of India
2. EPS is calculated as Net Profit/(loss) after tax and minority interest as restated after excluding extraordinary income attributable to equity shareholders divided by weighted average number of shares outstanding during the year/period
3. Weighted Average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

Price/Earning Ratio (P/E) in relation to Issue Price of ₹ [●] per share of ₹ 10/- each

Particulars	P/E at the lower end of the price band (₹ [●])	P/E at the higher end of the price band (₹ [●])
Based on 2010-11 EPS of ₹		
Based on weighted average EPS of ₹		
Industry P/E		
Highest	141.40	
Lowest	2.70	
Industry Composite	22.60	

Source : Capital Market, Vol XXVI/11 dated July 25-August 7, 2011; Industry – Mining/Minerals/Metals

Return on Net Worth

Period	RONW (%)	Weights
Year ended March 31, 2009	43.60	1
Year ended March 31, 2010	27.63	2
Year ended March 31, 2011	43.72	3
Weighted Average RONW	38.34	

Minimum Return on increased Net Worth needed after the Issue to maintain pre-Issue EPS

At the lower end of the price band [●]

At the higher end of the price band [●]

Net Asset Value (₹)

Particulars	At the lower end of the price band (₹ [●])	At the higher end of the price band (₹ [●])
As on March 31, 2009	[●]	[●]
As on March 31, 2010	[●]	[●]
As on March 31, 2011		
After Issue	[●]	[●]
Issue Price	[●]	

Comparison with Peer Group Companies

The Company is in the business of manufacturing of wide range of copper wire / copper products in all types and variants. There are no listed companies, whose business model is same as that of the Company. Although not comparable, the key ratios of the companies who are also in the copper industry manufacturing Copper products are as follows:

Name of the Company	Diluted EPS (₹)	P/E Ratio	RONW %	NAV per Share (₹)
Duplex Industries Limited	15.31	[●]	43.72	35.02
Nissan Copper Limited (Face Value – ₹ 1/- per Share)	0.20	-	12.80%	3.20
Precision Wires India Limited	25.80	5	18.20	156.90

(Based on FY 2010-11 Audited Statements)

Source : Capital Market, Vol XXVI/11 dated July 25-August 7, 2011; Industry – Mining/Minerals/Metals

The face value of our Equity Shares is ₹10 per share and the Issue Price of ₹ [●] is [●] times of the face value of our Equity Shares. The final price would be determined on the basis of the demand from the investors.

The BRLM believes that the Issue Price of ₹ [●] per Equity Shares is justified in view of the above parameters. The investors may also want to peruse the risk factors and our financials as set out in the Auditors Report in the DRHP to have a more informed view about the investment proposition.

STATEMENT OF TAX BENEFITS

The Board of Directors,
Duplex Industries Limited,
CTS no. 712/A, S. no. 140, Flat no 2,
Prachi Residency Bhelkenagar Kothrud,
Pune - 411038.

Dear Sirs,

Sub: Statement of possible Tax Benefits

In accordance with the existing provisions of the Income Tax Act, 1961 and Wealth Tax Act, 1957 and the Gift Tax Act, 1958, currently in force in India, the following possible tax benefits may be available to Duplex Industries Limited (“**Company**”) and to the shareholders of the Company. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

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

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

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

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

Yours sincerely,

Avinash Utgikar
Chartered Accountants

Membership no: 037025

Date : July 28, 2011

Place : Pune.

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

I. SPECIAL TAX BENEFITS

Except as stated hereinafter, there are no Special Tax Benefits Available to the Company, Resident Members, Non Resident Indians/Members other than FIIs and Foreign Venture Capital Investors, Foreign Institutional Investors (FIIs) and Mutual Funds.

II. GENERAL TAX BENEFITS

UNDER THE INCOME TAX ACT, 1961 (“THE ACT”)

The following tax benefits shall, inter-alia, be available to the company and the prospective shareholders under the Act, subject to fulfilling certain conditions as required in the respective Acts.

A. GENERAL BENEFITS AVAILABLE TO THE COMPANY

1. Subject to compliance of certain conditions laid down in Section 32 of the Act, the Company will be entitled to a deduction for depreciation: -
 - a) In respect of tangible assets.
 - b) In respect of intangible assets being in the nature of knowhow, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired after 31st day of March, 1998 at the rates prescribed under Income Tax Rules, 1962.
 - c) In respect of any new machinery or plant (other than ships and aircraft which has been acquired and installed after 31st March, 2005, a further sum of 20% of the actual cost of such machinery or plant will be allowed as a deduction.
 - d) Unabsorbed depreciation if any, for an Assessment Year can be carried forward & set off against any sources of income in subsequent Assessment Years as per section 32(2) of the Act.
2. Under the provisions of section 35(1)(i) of the Act read with clause (iv) of this subsection, the Company shall be eligible for deduction of any expenditure (except capital expenditure for acquisition of land) laid out or expended on scientific research related to the business of the company.
3. Under the provisions of section 35(1)(ii) of the Act, the Company shall be eligible for a weighted deduction of 175% of any sum paid to certain scientific research association or to a university, college or other institution to be used for scientific research, subject to fulfillment of the prescribed conditions.
4. Under the provisions of section 35(1)(iia) of the Act, the Company shall be eligible for a weighted deduction of 175% of any sum paid to a company to be used by it for scientific purpose, subject to fulfillment of the prescribed conditions.
5. Under the provisions of section 35(1)(iii) of the Act, the Company shall be eligible for a weighted deduction of 125% of any sum paid to a university, college or other institution to be used by it for research in social science or statistical research, subject to fulfillment of the prescribed conditions.
6. Under the provisions of section 35(2AB) (i) of the Act, the Company shall be eligible for a weighted deduction of 200% of any expenditure incurred by the Company on in-house scientific research and development facility approved by the prescribed authority.
7. Under the provisions of section 35AC of the Act, the Company shall be entitled to deduction for any expenditure by way of payment of any sum to a public sector company or to a local authority or to an association or institution approved by the National Committee for carrying out any eligible project or scheme or for any expenditure directly made by it on the eligible project or scheme.

8. Under the provisions of section 35CCA of the Act, the Company shall be entitled to deduction for any expenditure by way of payment of any sum to an association or institution which has as its object the undertaking of any programme of rural development or training of persons for implementing such programmes approved by the prescribe authority or to a rural development fund or to the National Urban Poverty Eradication Fund set up and notified by the Central Government in this behalf.
9. Under the provisions of section 35CCB of the Act, the Company shall be entitled to deduction for any expenditure by way of payment of any sum to an association or institution which has as its object the undertaking of any programme of conservation of natural resources or afforestation or to a fund for afforestation set up and notified by the Central Government.
10. Under Section 35D of the Act, the Company is eligible for deduction in respect of specified preliminary expenditure incurred by the Company in connection with extension of its undertaking or in connection with setting up a new unit for an amount equal to 1/5th of such expenses over 5 successive Assessment Years, subject to the conditions and limits specified in the section.
11. Under the provisions of section 54EC of the Act and subject to the conditions and to be extent specified therein, long term capital gains [not covered under the section 10(38) of the Act arising on the transfer of long term capital assets by the Company will be exempt from capital gains tax if the capital gain are invested within a period of 6 months from the date of transfer in the bonds issued by-
 - National Highway Authority of India constituted under section 3 of National Highways Authority of India Act, 1988 on or after the 1st day of April 2006.
 - Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 on or after the 1st day of April, 2006.

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted within three year from the date of their acquisition. However as per 1st Proviso to section 54EC(I), the investments made in the long Terms Specified Asset on or after April 1, 2007 by any assessee during the financial year should not exceed 50 Lacs rupees.

12. *Tax benefit under Section 80-IB of the Act*

According to the provisions of Section 80-IB (4) of the Income Tax Act, the Company while computing the total income is eligible to claim 100 per cent deduction in respect of profits derived by its business of Manufacture of Copper Wires for a period of 5 years commencing from initial assessment year. And thereafter 30 per cent of the profits and gains derived from the manufacture of Copper Wires.

Provided that the total period of deduction does not exceed 10 consecutive assessment years.

1st Parwanoo Unit Date of Commencement of operation is FY 2006-07

The 2nd unit of Parwanoo commenced in FY 2009-10

13. Under section 80G of the Act, the Company is entitled to deduction either for whole of the sum paid as donation to specified funds or institutions or fifty percent of sums paid, subject to limits and conditions as provided in the section.
14. Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains [not covered under section 10 (38) of the Act] arising on transfer of a long term capital asset, being listed securities, or specified units, and zero coupon bond, if held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge, educational cess and secondary & higher education cess on income-tax) after indexation as provided in the second proviso to section 48 or at 10% (plus applicable surcharge, educational cess and secondary & higher education cess on income-tax) (without indexation), at the option of the assessee
15. Minimum Alternate Tax (MAT) is a minimum tax which a company needs to pay when income-tax payable on the total income as computed under this Act is less than 18% of its book profit. Credit is allowable for the difference between MAT paid and the tax computed as per the normal provisions of the Act. MAT credit can be utilized to the extent of difference between any tax payable under the normal provisions and MAT payable for the relevant year. However, MAT credit cannot be carried forward and set off beyond 10 assessment years

immediately succeeding the assessment year in which it becomes allowable to be carried forward, under the provisions of sub-section (3A) read with sub-section (1A) of section 115JAA of the Act.

16. Section 115-O of the Act provides that, in order to compute the Dividend Distribution Tax (DDT) payable by a domestic holding Company, the amount of dividend paid by it would be reduced by the dividend received by it from its subsidiary company during the financial year, if:

- The subsidiary company has paid DDT on such dividend : and
- The Domestic Company is itself not a subsidiary of any company. For this purpose, a company would be considered as a subsidiary if the domestic company holds more than half of its nominal equity capital.

B. GENERAL BENEFITS AVAILABLE TO COMPANY AND RESIDENT MEMBERS

1. Under section 10(34) of the Act, income earned by way of dividend from domestic company referred to in section 115-O of the Act is exempt from income-tax in the hands of the shareholders. However, section 94(7) of the Act provides that the losses arising on account of Sale/transfer of shares purchased up to three months prior to the record date and sold within three months after such date will be disallowed to the extent of dividend on such shares are claimed as tax exempt by the shareholder.
2. Under the provisions of section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented Mutual fund (i.e capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India after October 1, 2004 on which securities transaction tax has been paid is exempt. However, from Financial Year 2006-2007, income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB of the Act.
3. Under section 111A of the Act, capital gains arising to a shareholder from transfer of short term capital assets, being an equity share in the company or unit of an equity oriented Mutual fund, entered into on a recognized stock exchange in India on which securities transaction tax has been paid will be subject to tax at the rate of 15% (plus applicable surcharge, educational cess and Secondary & Higher Education Cess on income tax).
4. Short-term capital loss on sale of shares can be set off against any capital gain income, long term or short term, in the same assessment year. It should be noted that such loss can be set off only against capital gain income and not against any other head of income. Balance short-term capital loss, if any, can be carried forward up to eight assessments years. In the subsequent year also, it can be set off against any capital gain income.
5. In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax (as computed in prescribed manner) on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions. No deduction under this section shall be allowed in, or after, AY 2009-2010. However, in such a case, the said securities transaction tax would be allowed as deduction in computing the profits & gains from business or profession
6. Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt under section 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by:
 - (i) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; or
 - (ii) Rural Electrification Corporation Limited ('RECL'), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

It is also provided that the investments made on or after April 1, 2007 in the above mentioned bonds is restricted to Rupees Fifty Lacs during any financial year.

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted

into money within three years from the date of their acquisition.

7. Under Section 54F of the Act, where in the case of an individual or Hindu Undivided Family ('HUF') capital gain arise from transfer of long term assets [other than a residential house and those exempt under section 10(38) of the Act] then such capital gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of a residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of a residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced.

C. GENERAL BENEFITS AVAILABLE TO NON RESIDENT INDIANS/MEMBERS OTHER THAN FIIS AND FOREIGN VENTURE CAPITAL INVESTORS

1. By Virtue of Section 10(34) of the Act, income earned by way of divided income from a domestic company referred to in section 115-O of the Act, is exempt from tax in the hands of the recipients.
2. Under Section 10(38) of Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital assets held for the period of twelve months or more) entered into a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.
3. Under the first proviso to section 48 of the Act, in case of a non resident, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.
4. In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax (as computed in prescribed manner) on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions. No deduction under this section shall be allowed in, or after, AY 2009-2010. However, in such a case, the said securities transaction tax would be allowed as deduction in computing the profits & gains from business or profession.
5. Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt under section 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by:
 - (i) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; or
 - (ii) Rural Electrification Corporation Limited ('RECL'), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

It is also provided that the investments made on or after April 1, 2007 in the above mentioned bonds is restricted to Rupees Fifty Lacs during any financial year.

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

6. Under Section 54F of the Act, where in the case of an individual or Hindu Undivided Family ('HUF') capital gain arise from transfer of long term assets [other than a residential house and those exempt under section 10(38) of the Act] then such capital gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of a residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of a residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced
7. Under the provisions of section 111A of the Act, capital gains arising to a shareholder from transfer of short

terms capital assets, being an equity share in the company or unit of an equity oriented Mutual fund, entered into in a recognized stock exchange in India on which securities transaction tax has been paid will be subject to tax at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess on income-tax).

8. Under the provisions of section 115 E of the Act, capital gains arising to the non resident on transfer of shares held for a period exceeding 12 months shall [in cases not covered under section 10(38) of the Act] be concessionally taxed at a flat rate of 10% (plus applicable surcharge, educational cess and secondary & higher education cess on Income-tax) without indexation benefit but with protection against foreign exchange fluctuation under the first proviso to section 48 of the Act.
9. Under the provisions of section 115F of the Act, long term capital gains [not covered under section 10 (38) of the Act] arising to a non-resident Indian from the shares of the company subscribed to in convertible Foreign Exchange shall be exempt from income tax if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
10. Under the provisions of section 115G of the Act, it shall not be necessary for a nonresident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from.
11. Under the provisions of section 115H of the Act, a non-resident Indian (i.e. an individual being a citizen of India or person of India Origin) has an option to be governed by the provision of Chapter XII A of the Act viz. "Special Provisions Relating to certain Income of Non-Resident."
12. Under the provision of section 115I of the Act, a non resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income under section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him, instead the other provisions of the Act shall apply.

D. GENERAL BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS (FIIS)

1. By virtue of section 10(34) of the Act, income earned by way of dividend income from a domestic company referred to in section 115-O of the Act, are exempt from tax in the hands of the institutional investor.
2. Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax. However, from Financial Year 2006-2007, the income by way of long- term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB of the Act.
3. The provisions of section 36(i)(xv) of the Act allow deduction for STT paid, if the taxable securities transactions are taxable as 'Business Income'.
4. The income realized by FIIs on sale of shares in the company by way of short term capital gains referred to in Section 111A of the Act would be taxed at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess on income tax).

E. BENEFITS AVAILABLE TO MUTUAL FUNDS

In terms of section 10(23D) of the Act, mutual funds registered under the Securities and Exchange Board of India Act, 1992 and such other mutual funds set up by public sector banks or public financial institutions authorized by the Reserve Bank of India and subject to the conditions specified therein, are eligible subject to the provisions of Chapter XII-E, for exemption from income tax on their entire income, including income from investment in the shares of the Company.

F. UNDER THE WEALTH TAX ACT, 1957

Shares of the company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957 and as such Wealth Tax Act will not be applicable.

G. UNDER THE GIFT TAX ACT, 1958

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

NOTES

1. All the above benefits are as per the current tax law and will be available only to the sole/first named holder in case the shares are held by joint holders.
2. 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 purchase, ownership and disposal of shares.
3. In respect of non-residents and foreign companies, 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 has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident. In case the non-resident has fiscal domicile in a country with which no Tax Treaty exists, then due relief under Section 91 of the Act may, in given circumstances, be available.
4. Our views expressed herein are based on the facts and assumptions indicated by the Company. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of the Company. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

STATEMENT OF CENTRAL EXCISE and CUSTOMS BENEFITS

A) Statement of Central Excise Benefits

- (1) Exemption from payment of Central Excise duty on final product manufactured for 10 years (valid upto 31/03/2017) in terms of Notification no. Notfn. No. 50/03-CE. dt. 10.6.2003 [as amended by Notfn. Nos. 54/03, 76/03, 27/04, 27/05, 34/05, 13/06, 38/06, 48/06, 1/08].

B) Statement of Customs Benefits

- (1) **Advance Authorisation** - Exemption from payment of Import duties under the Advance Authorisation Scheme in terms of Customs Notification no. Notfn. No. 93/04-Cus. dt. 10.9.2004 as amended by 46/05, 77/05, 97/05, 63/07, 116/07, 70/08, 86/08, 22/09, 19/09] and 96/2009 Cus. Dt. 11/09/2009,
- (2) **DEPB** – This is the post export benefit scheme. In the said scheme we are given the duty entitlement pass book scheme at a pre-determined credit on fob value. The DEPB Scheme are mentioned in Para 4.3 and 4.3.1 to 4.3.5 of the Foreign Trade Policy read with Customs Notification No. 97/2009 Cus. Dt. 11/09/2009,

- (3) **EPCG** – Export Promotion Capital Goods (EPCG) Scheme in terms of Chapter 5 of the Foreign Trade Policy permitting import of goods under which we have to pay only 3% Customs duty on import of Capital Goods.
- (4) **STATUS HOLDERS Incentive Scheme** - Status Holders Incentive Scheme is in accordance with paragraph 3.16 of the Foreign Trade Policy, which gives the duty script of 1% on fob value of exports and the said duty scrip equivalent to 1% of fob value shall be used in accordance with Customs Notification no. 104/2009 Cus. Dt. 14/09/2009

SECTION VI - ABOUT US

INDUSTRY OVERVIEW

The information presented in this section relating to the global copper industry has been extracted from statistics and reports from the International Copper Study Group (“ICSG”), the Ministry of Mines, Government of India, the Ministry of Commerce & Industry and publicly available information. This data and the projections of future data has not been prepared or independently verified by us or the BRLM or any of their respective affiliates or advisors. The data may have been re-classified by us for the purpose of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

The Indian economy witnessed a swift recovery in 2009-10. The global economic slowdown had affected the Indian economy and GDP growth moderated to 6.8% in 2008-09 compared to an average of 9.5% in the preceding three years. The impact of global slowdown was more intense on industry, particularly the manufacturing sector. The fiscal and monetary policy interventions, however, provided the stimulus to the economy, leading to a recovery in the GDP growth to 8.0% in 2009-10 and 8.6% in 2010-11. The industrial and manufacturing sectors emerged as the key drivers in this revival.

The growth of Gross Domestic Product (GDP) at factor cost is estimated at 8.6 percent in 2010-11, with agriculture & allied activities growing at 5.4 per cent, industry at 8.1 per cent and services at 9.6 per cent. The corresponding growth in GDP in 2009-10 was 8.0 per cent, with agriculture and allied sector, industry and services growing at 0.4, 8.0 and 10.1 per cent, respectively. (Source: Ministry of Finance, Annual Report 2010-11)

A wide range of wires and cables are manufactured in the country which includes communication cables such as jelly filled telephone cables, optic fibre cables, local area network cables, switchboard cables, co-axial cables, VSAT cables, electrical cables such as electrical wires, winding wires, automotive/ battery cables, UPS cables, flexible wires, low voltage power cables and EHT power cables. The power cable industry may be mainly divided into four segments viz; house wiring (up to 440V), LT (1.1 to 3.3kV), HT (11 to 66kV), EHV (66kV and above). (Source: Ministry of Commerce & Industry, Annual Report 2010-11)

With infrastructure receiving priority attention from the Govt. of India, construction, power and telecom sector are fast developing. This will give a boost to wire and cable industries in near future. In 2009-10, the non-SSI sector has reported production of insulated cable & wires of all kinds 96.50 lakh core kms and in the year 2010-11 (April-December) the production was reported at 93.35 lakh core Kms. India exported wires and cables (HS code. 7413 & 8544) of value around ₹ 2409.91 crore in 2008-09 against import of around ₹ 3965.52 crore during the same period. During the year 2009-2010 the export was around ₹ 1,636.83 crore against import of ₹ 3276.80 crore during the same period. During the year 2010-11 (April-June) the export was ₹ 405.58 crore against the import of ₹ 690.10 crore during the same period. The industry is de-licensed and is eligible for automatic approval for Foreign Direct Investment up to 100%. (Source: Ministry of Commerce & Industry, Annual Report 2010-11)

Global Copper Industry

Background

Copper is a malleable and ductile metallic element that is an excellent conductor of heat and electricity as well as being corrosion resistant and antimicrobial. Copper occurs naturally in the Earth's crust in a variety of forms. It can be found in sulfide deposits (as chalcopyrite, bornite, chalcocite, covellite), in carbonate deposits (as azurite and malachite), in silicate deposits (as chrysocolla and diopside) and as pure "native" copper.

Primary copper production starts with the extraction of copper bearing ores. There are three basic ways of copper mining: surface, underground mining and leaching. Open-pit mining is the predominant mining method in the world. After the ore has been mined, it is crushed and ground followed by a concentration by flotation. The obtained copper concentrates typically contain around 30% of copper, but grades can range from 20 to 40 per cent. In the following smelting process, sometimes preceded by a roasting step, copper is transformed into a "matte" containing 50-70% copper. The molten matte is processed in a converter resulting in a so-called blister copper of 98.5-99.5% copper content. In the next step, the blister copper is fire refined in the traditional process route, or, increasingly, re-melted and cast into anodes for electro-refining.

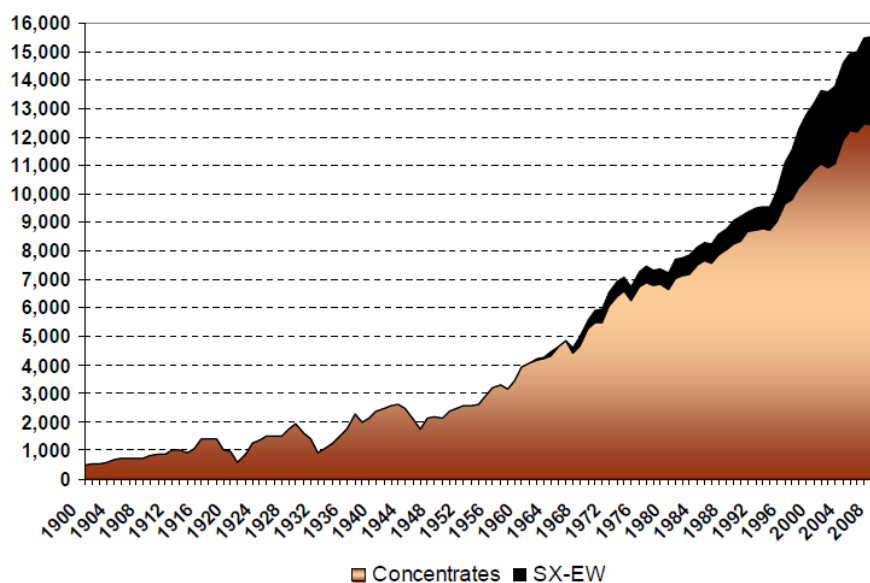
The output of electro-refining is refined copper cathodes, assaying over 99.99% of copper. Alternatively, in the hydrometallurgical route, copper is extracted from mainly low grade oxide ores and also some sulphide ores, through leaching (solvent extraction) and electrowinning (SX-EW process). The output is the same as through the electro-refining route refined copper cathodes. ICSG estimates that in 2009, refined copper production from SX-EW represented 18% of total copper refined production. Refined copper production derived from mine production (either from metallurgical treatment of concentrates or SX-EW) is referred to as "primary copper production", as obtainable from a primary raw material source. However, there is another important source of raw material which is scrap. Copper scrap derives from either metals discarded in semis fabrication or finished product manufacturing processes ("new scrap") or obsolete end of life products ("old scrap"). Refined copper production attributable to recycled scrap feed is classified as "secondary copper production". Secondary producers use processes similar to those employed for primary production. ICSG estimates that in 2009, at the refinery level, secondary copper refined production reached around 16% of total copper refined production.

Copper Production

Copper Mine Production

The Copper mine production in 2009 reached over 15.7 million tonnes, globally. The largest producer in the world of mined copper was Chile (nearly 5.4 million tonnes)

(1900-2008, Thousands metric tonnes)



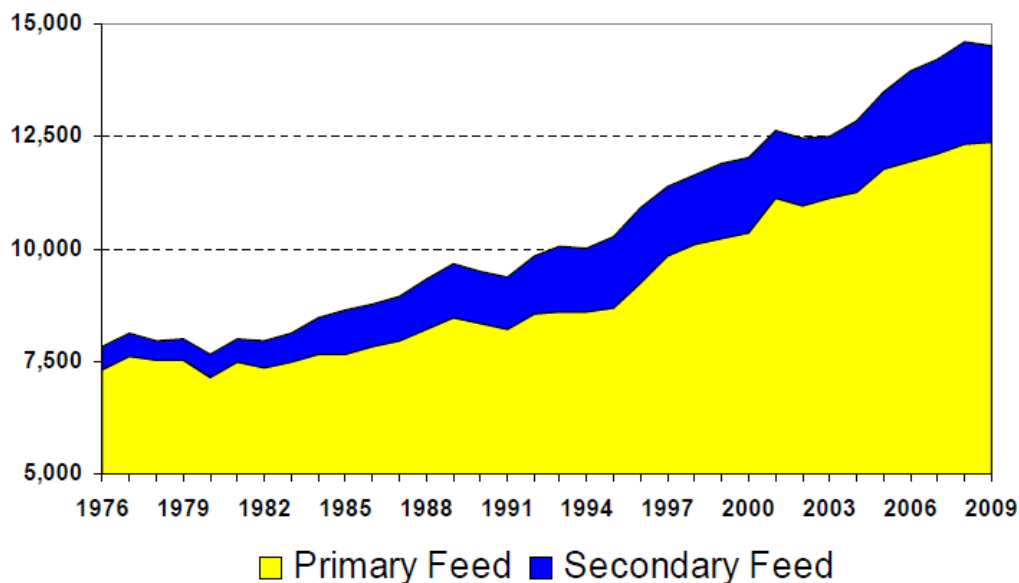
(Source: ICSG, the World Copper Factbook, 2010)

Since 1990, when world copper mine production was less than 500 thousand tonnes, world copper mine production has grown by around 4% per year to reach nearly 16 million tonnes in 2009.

Copper Smelter Production

Copper Smelter production in 2009 reached over 14.5 millions. China was the largest producer of blister and anode in 2009 (over 3.4 million tonnes)

(1976-2009, Thousands metric tonnes)

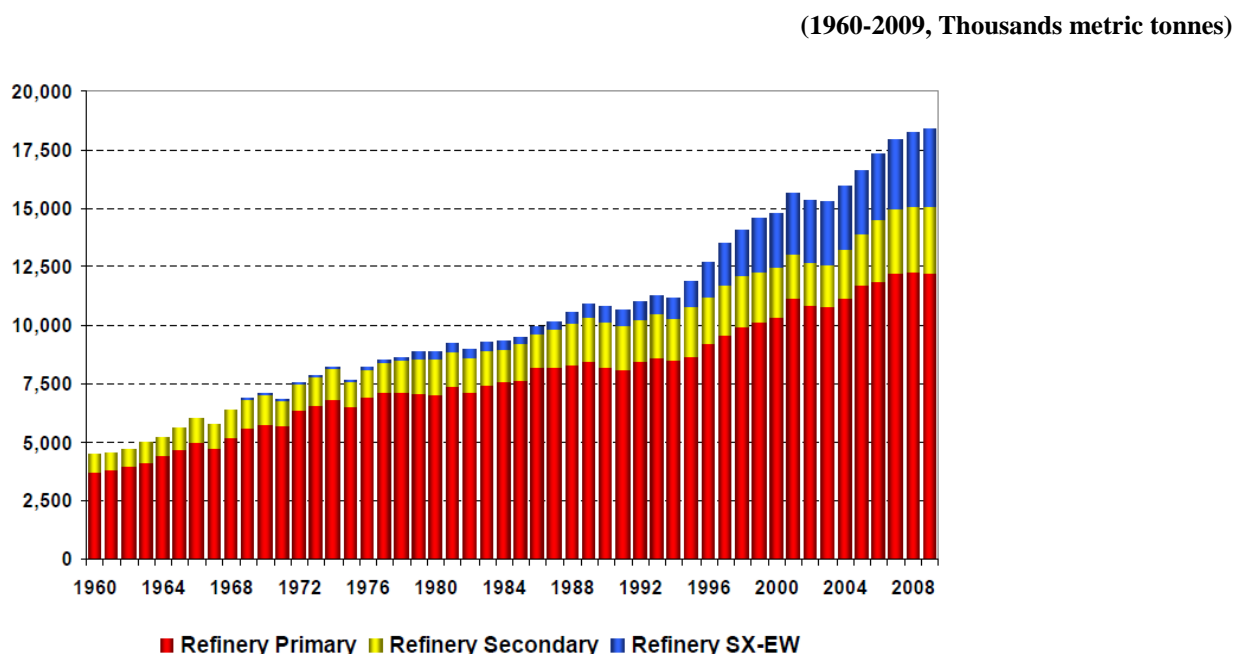


(Source: ICSG, the World Copper Factbook, 2010)

Smelting is the pyrometallurgical process used to produce copper metal. In 2009, world copper smelter production reached 14.5 million tonnes. Recently, the trend to recover copper directly from ores through leaching processes has been on the increase. Primary smelters use mine concentrates as their main source of feed (although some use copper scrap as well). Secondary copper smelters use copper scrap as their feed.

Copper Refinery Production

Refinery production in 2009 increased to 18.4 million tonnes, including 2.9 million tonnes of secondary refined production.



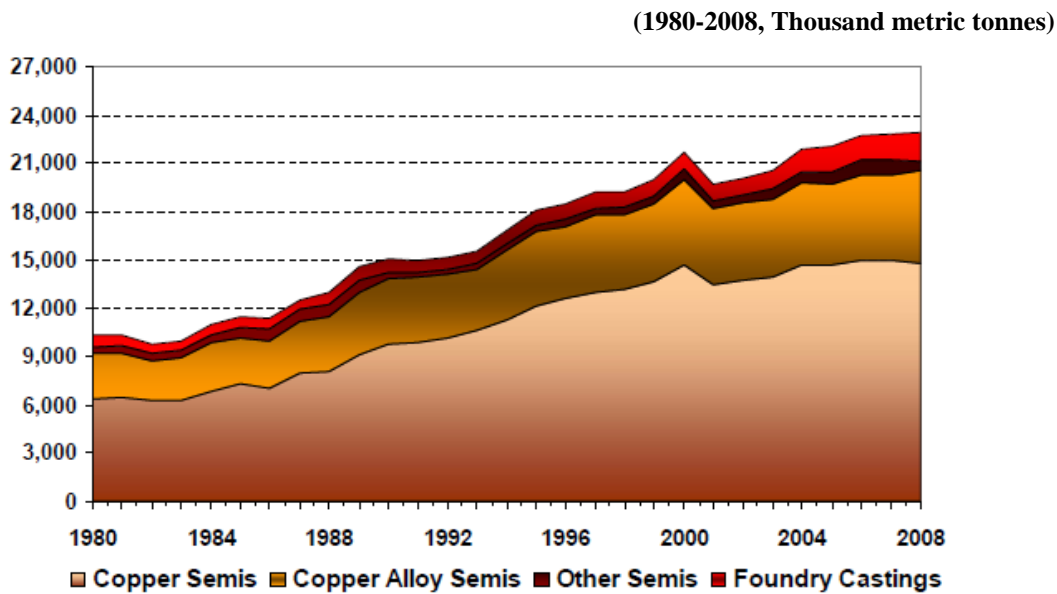
(Source: ICSG, the World Copper Factbook, 2010)

With the emergence of solvent extraction-electrowinning (SX-EW) technology, refined copper produced from leaching ores has been on the rise, increasing from less than 1% of world refined copper production in the late 1960's to 18% of world output in 2009.

Semi- Productions

Copper and Copper Alloy and Casting Production

Asia accounted for 58% of semi production in 2008, or more than 13.4 million metric tonnes, up from 22% in 1980. Semis fabricators process refinery shapes such as cathodes, wire bar, ingot, billet slab and cake into semi-finished copper and copper alloy products using both unwrought copper materials and direct melt scrap as raw material feed. Semis fabricators are considered to be the “first users” of refined copper and include ingot makers, master alloy plants, wire rod plants, brass mills, alloy wire mills, foundries and foil mills.



(Source: ICSG, the World Copper Factbook, 2010)

In 2010, China accounted for the largest share of world semis capacity production (30%) and the largest number of semi plants (498).

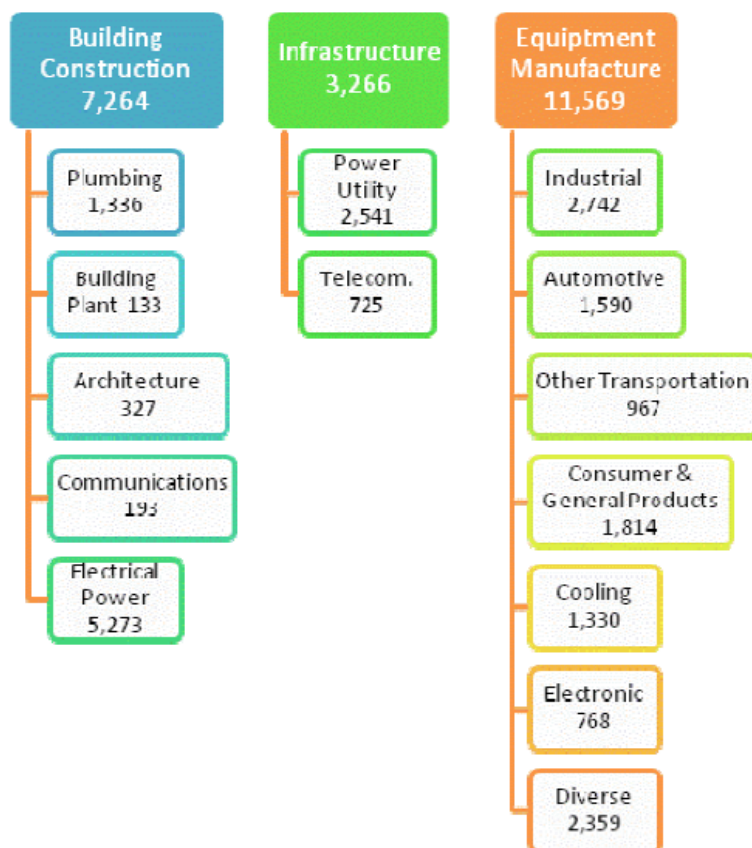
Copper Usage

Refined copper usage (usage by semis plants or the first users of copper) in 2009 reached nearly 18.2 million tonnes. China was also the largest consumer of refined copper in 2009 with apparent usage of over 7 million tonnes. According to the International Copper Association (ICA), usage of copper in end-use products totalled over 22 million tonnes last year. ICA figures indicate that electrical power was the largest copper end-use sector last year, followed by industrial use, power utility, and consumer and general products.

New copper applications being developed include antimicrobial copper touch surfaces, lead free brass plumbing, high tech copper wire, heat exchangers, and new consumer products as well.

(Source: 2010 World Copper Factbook; International Copper Study Group, www.icsg.org;))

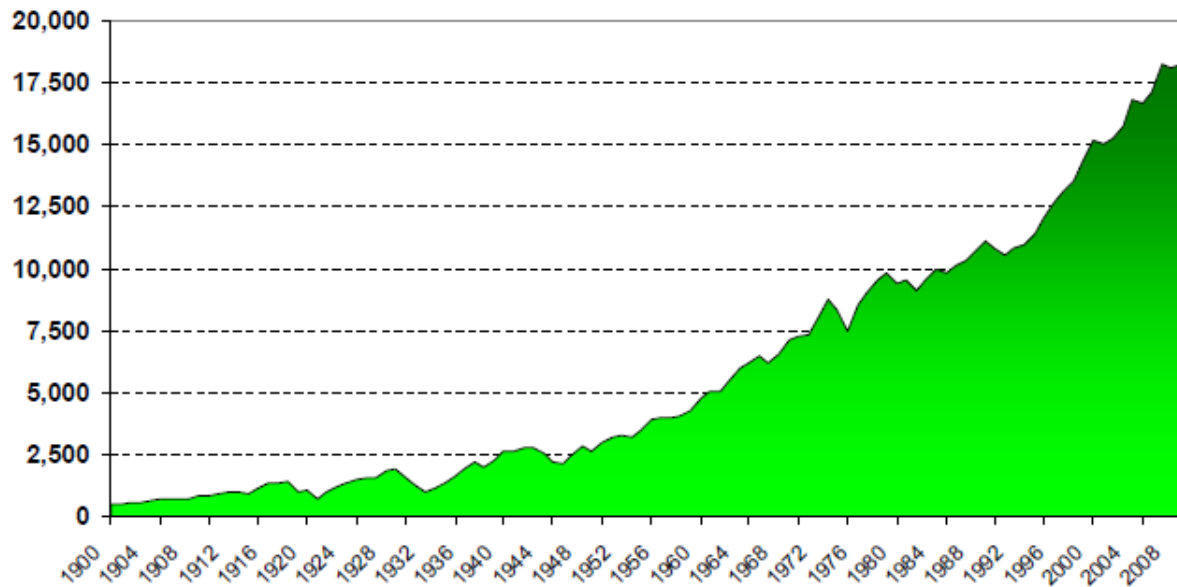
Major Use of Copper: Usage by End-Use Sector, 2009 (thousand metric tonnes)



(Source: ICSG, "The World Copper Factbook" 2010)

Copper is shipped to fabricators mainly as cathode, wire rod, billet, cake (slab) or ingot. Through extrusion, drawing, rolling, forging, melting, electrolysis or atomization, fabricators form wire, rod, tube, sheet, plate, strip, castings, powder and other shapes. The fabricators of these shapes are called the first users of copper. The total use of copper includes copper scrap that is directly melted by the first users of copper to produce copper semis. Copper and copper alloy semis can be further transformed by downstream industries for use in end use products such as automobiles, appliances, electronics, and a whole range of other copper-dependent products in order to meet society's needs. This section provides a range of information about refined copper usage, total use, major uses of copper and end-use.

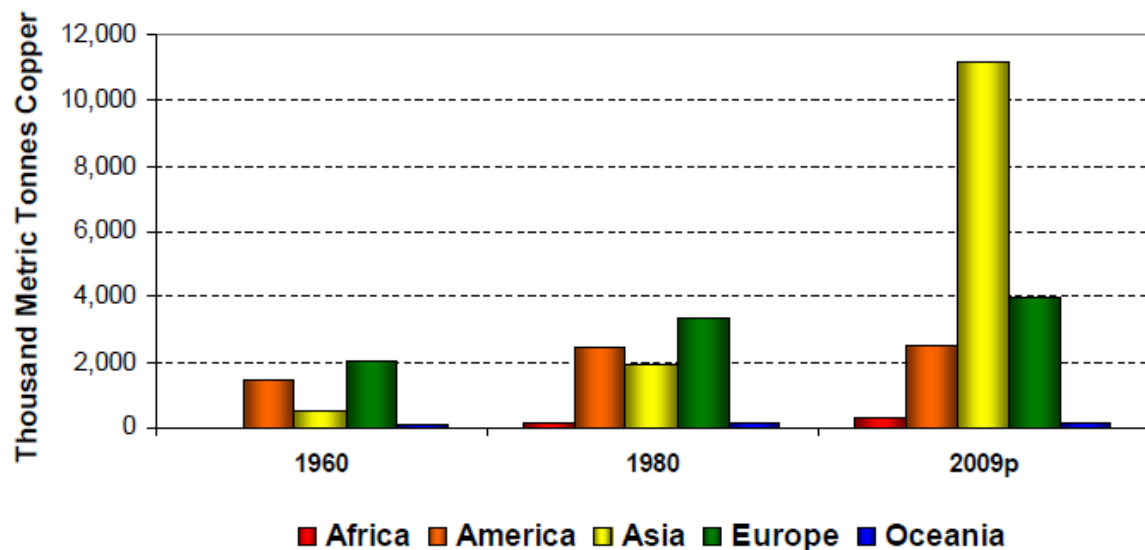
World Refined Copper Usage, 1900-2009 (Thousand metric tonnes)



(Source: ICSG, the World Copper Factbook, 2010)

Since 1990, demand for refined copper increased from less than 500 thousand tonnes to over 18 million metric tonnes in 2009 as demand over the period grew by an average of 4% per year.

Refined Copper Usage by Region, 1960, 1980 and 2009 (Thousand metric tonnes)



(Source: ICSG, the World Copper Factbook, 2010)

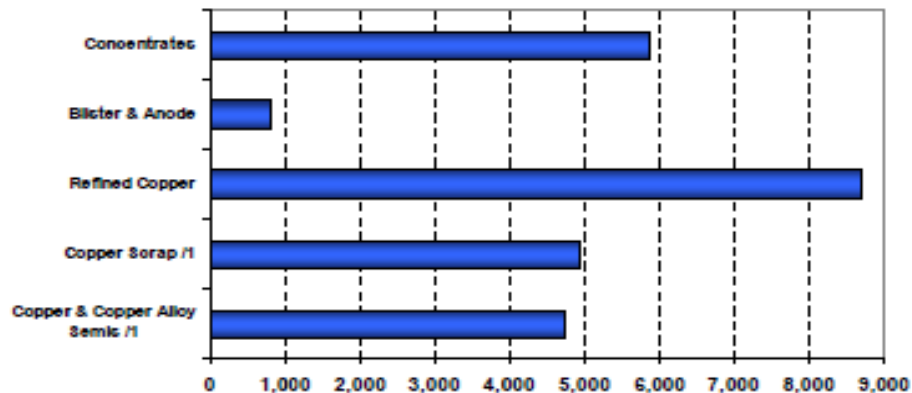
Growth in refined copper usage has been especially strong in Asia, where demand has expanded more than five fold in less than 30 (thirty) years.

Copper Trade

Copper products across the value chain are traded internationally. Often, countries where upstream copper production capacity exceeds downstream production capacity will import the raw materials needed to meet their production needs, and vice versa. Major product categories of copper traded internationally include:

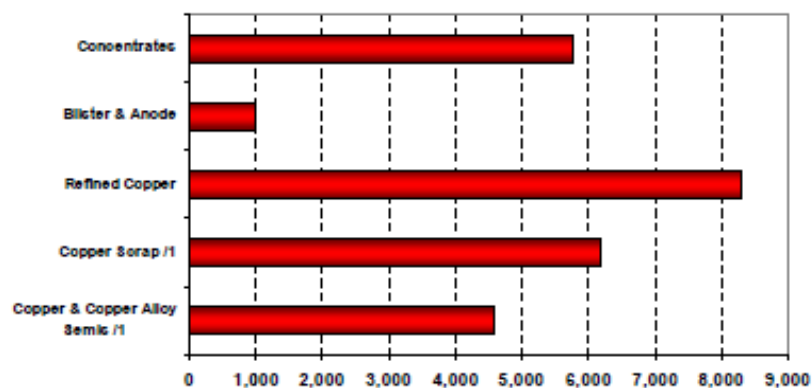
- Copper concentrates
- Copper blister and anode
- Copper cathode and ingots
- Copper scrap and
- Copper semis

World Copper Exports by Product Category, 2009 (thousand metric tonnes copper)



(Source: ICSG, the World Copper Factbook, 2010)

World Copper Imports by Product Category, 2009 (thousands metric tonnes copper)

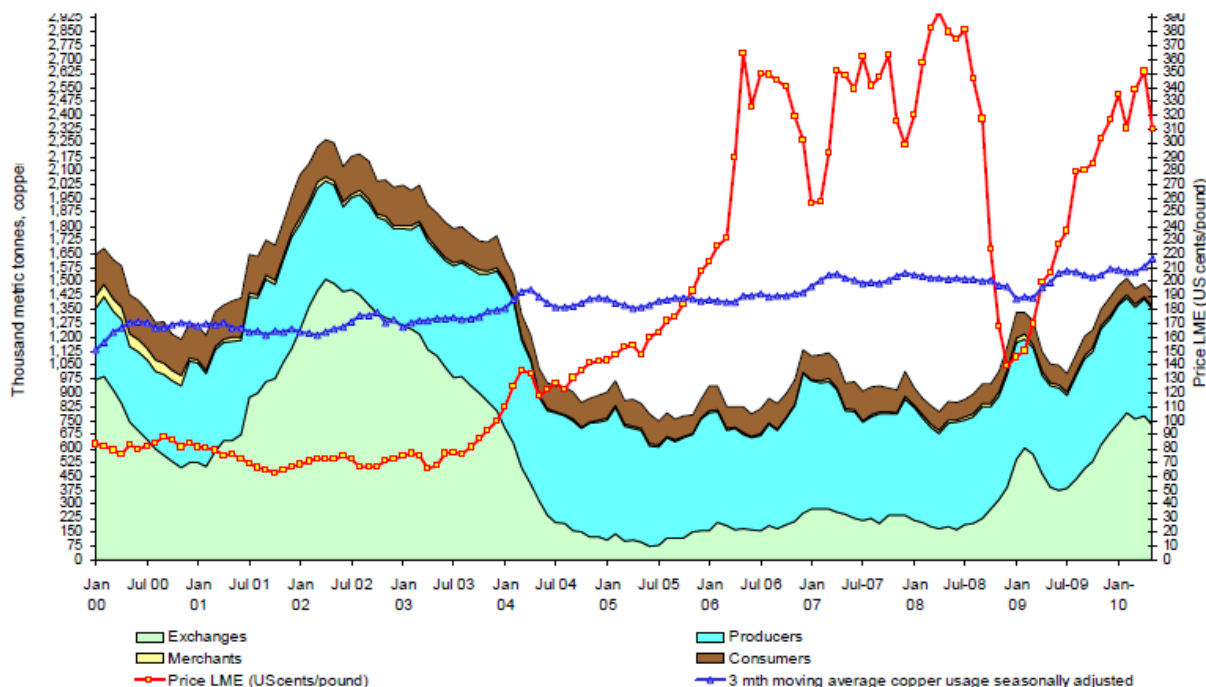


(Source: ICSG, the World Copper Factbook, 2010)

Global Copper Market

Three commodity exchanges provide the facilities to trade copper: The London Metal Exchange (LME), the Commodity Exchange Division of the New York Mercantile Exchange (COMEX/NYMEX) and the Shanghai Metal Exchange (SHME). In these exchanges, prices are settled by bid and offer, reflecting the market's perception of supply and demand of a commodity on a particular day. On the LME, copper is traded in 25 tonne lots and quoted in US dollars per tonne; on COMEX, copper is traded in lots of 25,000 pounds and quoted in US cents per pound; and on the SHME, copper is traded in lots of 5 tonnes and quoted in Renminbi per tonne. More recently, mini contracts of smaller lots sizes have been introduced at the exchanges.

Copper Stocks, Prices and Usage (Thousand metric tonnes and US cents/pound)



(Source: ICSG, the World Copper Factbook, 2010)

Indian Copper Market

Copper consumption in a country is one of the indicators of its level of economic development. Per capita consumption in India is in the order of 0.50 Kg as compared to 10 Kg in developed nations. The known mineral resources for copper within the country are few with low grades of copper with the average metal content being in the region of a mere 1% and the precious metal content being very low.

Hindustan Copper Limited has access to over two-thirds of the copper ore reserves in India. As per the assessment, HCL has estimated reserves of approx. 411.53 million tones of copper ore, with an average of 1.05% copper content as on 01.04.2010.

During 2008-09 and 2009-10, total domestic refined copper usage was approximately 538,000 tonnes and 550,000 tonnes respectively, whereas, total world refined copper usage was 18,056,000 tonnes in 2008 and 18,189,000 tonnes (provisional) in 2009. Though the current global economic crisis has significantly reduced world refined copper usage levels. International Copper Study Group (ICSG) expects world apparent refined usage in 2010 to increase by about 3.8% from that in 2009. However, the production and consumption of refined copper in 2010- 11 would depend on the growth of the economy and LME price.

Electrical, Electronics and Telecommunications sectors account for nearly 52% of copper usage in India. The demand again is primarily from the telecom, power and infrastructural sector. There has been substantial reduction in demand of copper in telecom sector with increased application of fibre optic cables and fast penetration of wireless communication through cell phones, Wireless in Local Loop and Direct to Home (DTH) Telecasting. In the household wiring sector, despite many advantages of using copper conductors, aluminum conductors are widely used. The trend, however, has started reversing and increased usage of copper in this sector is perceptible. But unfortunately, in place of cables and wirings made from high grade electrolytic tough pitch copper, applications are mostly of cables and wirings made from "Scrap recycled" (commercial copper) resulting in substantial electrical energy loss to the country without counting indirect losses and other costs due to failure of these wirings. Usage of copper in building construction, as prevalent in Western World, is slowly making inroads into the country, mainly in metro cities and industrial projects.

The production of copper concentrate was at 124 thousand tonnes in 2009-10 which got decreased by about 9.48% as compared to the previous year. Average metal content in copper concentrate was 22.9% Cu. (Copper)

(Source: the Ministry of Mines, GoI, Annual Report 2010-11)

Copper Price

Customs duty on imported copper had been reduced in phases from 35% in 2002-03 to 5% at present leading to a steep reduction in price, which, in turn, affected the profitability of domestic copper manufacturer.

The domestic price of copper is linked to London Metal Exchange (LME) price. The LME Cash Settlement Price (CSP) is the basis on which prices of copper products are declared by domestic producer. The copper industry was adversely affected due to drastic fall in LME price in the year 2008-09 along with the economic slowdown in general. Along with the drop in LME copper price, TCRC (Treatment and Refining Charges) were also unfavourable. This situation affected Indian copper producers in general. Till December'10, the LME average price of copper for the year 2010-11 has improved to US\$ 7636 from the yearly average LME price of US\$ 5864 in 2008-09 and US\$ 6101 in 2009-10.

Year	Average LME price of Copper (US\$ per ton)
2000-2001	1806
2001-2002	1527
2002-2003	1586
2003-2004	2046
2004-2005	3000
2005-2006	4097
2006-2007	6970
2007-2008	7584
2008-2009	5864
2009-2010	6101
2010-2011 (upto December 2011)	7636

(Source: The Ministry of Finance, GoI, Annual Report 2010-11)

Future Outlook

According to ICSG data, global growth in copper demand for 2011 is expected to exceed global growth in copper production and the annual production deficit, estimated at about 250,000 metric tons of refined copper in 2010, is expected to be about 380,000 tons in 2011. In response to prevailing high copper prices and increased end use demand, production increases are expected at operations curtailed following the 2008 economic crisis and, to a lesser extent, from startup of new operations. Industrial demand in 2011 in all of the major consuming regions is expected to continue the upward trend begun in 2010 and exceed the growth in refined production. Following a year

of extraordinary growth (38%) in 2009, China's apparent consumption in 2010 grew by only 4.3% and accounted for more than 38% of global copper demand. In 2011, the growth rate is projected to be around 6%: an anticipated growth in semi-fabricate production and possible restocking of working inventories could be partially offset by greater reliance on direct melt scrap and potential drawdown of unreported inventories that likely accumulated in preceding years.

(Source: ICGS Forecast 2011-12)

CABLE INDUSTRY IN INDIA

Industry is fully established for all types of cables from 1.1KV and developing for EHV cables upto 220kV.

Few manufacturers currently manufacture cables up to 220kV grade, whereas a larger number of manufacturers manufacture medium voltage cables up to 33kV, besides LV cables. Considering the strong domestic demand for cables in the power sector, overseas cable manufacturing giants have entered into market through joint ventures with Indian cable manufacturers; for manufacturing EHV cables and special types of cables.

Cable sector overall saw a rise in demand of 16%; mostly driven by control cables which saw a growth of 32%. The demand from power generation units is on rise. LV and EHV power cables witnessed a steady growth of about 10%. Indian Cable manufacturers are exporting the LV & HV cables to Middle East, Far East, South African countries and South American countries.

(Source: Indian Electrical & Electronics Manufacturers Association)

CLASSIFICATION AND APPLICATION OF CABLES

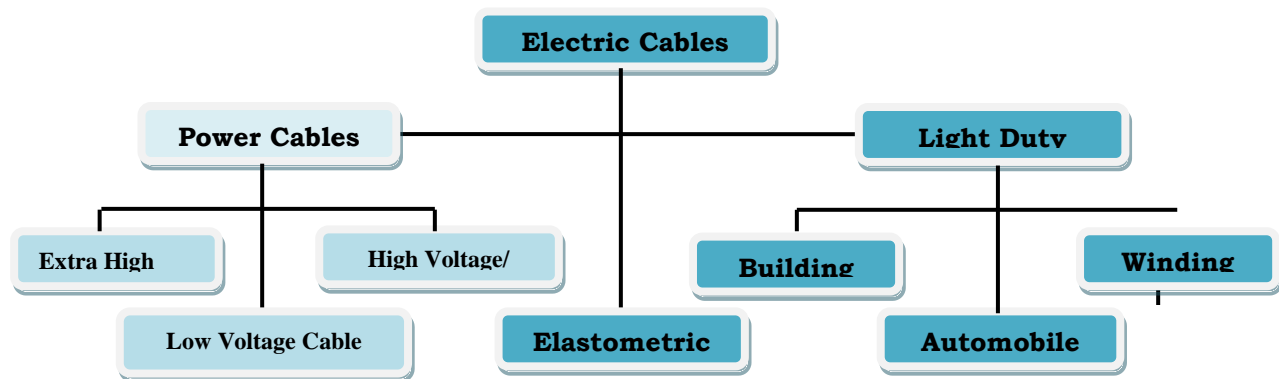
Cable market is largely divided into two types of users: Industrial and Domestic. The Industrial users mainly comprise of Power, Communication, Cement, Steel, Railways & Petro-Chemicals sectors. Most of their demand is addressed by the organized sector.

Amongst the industrial users, wires and cables mainly find application in three sectors: power, industrial and telecommunication. Power cables are segregated into high, medium and low tension cables. Industrial cables include control and instrumentation, LT cables, HT cables and specialty cables whereas telecom cables are classified as high capacity cables (Optical Fibre Cables -OFCS) and low capacity cables (Jelly Filled Telecom Cables - JFTCS).

Low tension cables have a capacity of up to 1.1 KV and are used for tertiary distribution of power mainly from substation to buildings. It also includes housing wires. This sector contains many other products for myriad applications. The medium tension power cables are between 1.1 KV and 11 KV. The high tension sector is beyond 11 KV. Medium tension and high tension power cables are mainly used for transmission and distribution of power.

Control cables are used for control circuits in power plants and other similar industrial installations and signalling network of Railways.

Instrumentation cable offers total interference free data transfer and is ideal for use as a signal and control cable in measuring, process- control and security systems. Instrumentation process in any industry is a very important factor for controlling various parameters during processing. These cables are used in normal or hazardous areas. These cables come with or without flame retardant properties and are suitable in process control, A/D converters and other modern microprocessor based instrumentation circuits. Microprocessor based control devices demand very low noise level and attenuation of signals in the cable. These cables are designed to offer excellent resistance to noise and induction phenomena encountered in instrumentation circuits.

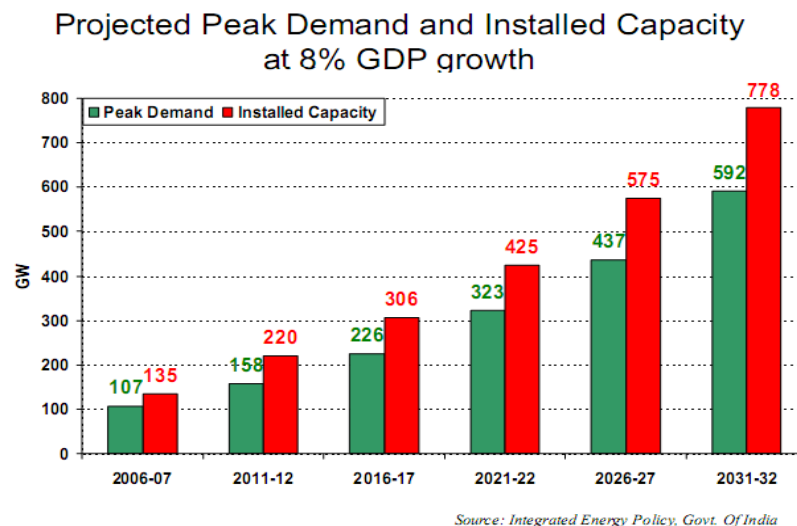


USER INDUSTRY

Power Sector

Power cables play a crucial part in all the three aspects of the power sector- generation, transmission and distribution.

Power cables play a crucial part in all the three aspects of the power sector – generation, transmission and distribution. The power sector in India is characterised by shortages on account of various factors such as pilferage, theft, equipment defaults (due to poor quality), amongst others. Increasing amounts of power deficits has increased the demand for quality equipment and higher voltage power generation. As such, the major cable manufacturers have ventured into manufacturing extra high voltage (EHV) cables along with expanding capacities to meet the demand rising demand. (www.powermin.nic.in).



Eleventh Plan (2007-12)

During the 11th plan, a tentative capacity addition of 66,463 MW is planned. Fuel-wise break of the total capacity addition is given below:-

Sector/Fuel	Total (in MW)
Hydro	17189
Thermal	
Coal	44000
Gas/LNG	2114
Nuclear	3160
Total	66463

Twelfth Plan (2012-2017)

During the 12th plan, a tentative capacity addition of 86,500 MW is planned. . Fuel-wise break of the total capacity addition is given below:-

Sector/Fuel	Total (in MW)
Hydro	30,000
Thermal	
Coal	44,500
Gas/LNG	NII
Nuclear	125000
Total	86,500

Requirement of Cables for Generation Plant

The estimated requirement of cables for thermal plants during 11th and 12th plan capacity addition programme, is given below:-

Item	11th Plan	12th Plan	Total
1.1kV Power Cable (km)	22596	15720	38316
1.1kV Control Cable (km)	42829	27030	69859
33kV Single Core Cable (km)	36	120	156
11kV Single Core Cable (km)	967	1102	2069
11kV Multi Core Cable (km)	1238	1312	2550
6.6kV Single Core Cable (km)	832	224	1056
6.6kV Multi Core Cable (km)	832	224	1056
3.3.kV Single Core Cable (km)	660	536	1196
3.3kV Multi Core Cable (km)	520	624	1144
HT Power Cable	1800		1800
LT Power & Control Cable (km)	4500		4500

(Source: www.powermin.nic.in)

Telecommunication Sector

Cables are the backbone of the communication sector. The Indian cables industry offers lucrative scope for stable revenue streams to manufacturers of both power and telecom cables.

The Indian Telecommunications network with 621 million connections (as on March 2010) is the third largest in the world. The sector is growing at a speed of 45% during the recent years. This rapid growth is possible due to various proactive and positive decisions of the Government and contribution of both by the public and the private sectors (www.dot.gov.in)

Industrial Sector

Investments in the industrial sector, comprising of buildings, factories, and industrial units across various sectors such as steel, power, fertilizers, oil & refinery, aluminium, cement, mining, among others, also generates demand for power cables (both low and high tension cables).

Major Players

The Indian cable industry is highly fragmented with a very large number of cable producers. The organised players in this segment are Polycab Wires Pvt. Ltd., Finolex Cables Ltd, Diamond Power Infrastructure Limited, Delton Cables Ltd, Sterlite Optical Technologies Ltd, KEI Industries Ltd, Paramount Communications Ltd, Universal Cables Ltd and a few others.

BUSINESS OVERVIEW

Incorporated in 1990, our Company established its first manufacturing unit in 1996 mainly with an objective of carrying on business of electroplating of coated copper wire and solder plated copper wires in Kurkumbh, Pune, Maharashtra. With change in economic scenario as well as due to WTO Agreement for duty reduction, the plated wire products started facing fierce competition from Far East Countries. Our Company, therefore, increased its basket of products in order to reach various customers on just-in-time basis. Subsequently, our Company enlarged its scope of production and product portfolio by setting up 3 (three) more manufacturing units, out of which two were set up at Parwanoo, Himachal Pradesh and one at Silvassa, Dadra and Nagar Haveli.

Our Company manufactures copper wire products such as Bare Copper Wires, Copper Wire plated or coated with tin or silver, Tin Wire, Enamelled Copper Wire, Strips, Bunched Copper Wire and Strips and Bus Bars. Our products have widespread application in power, electrical, electronics and telecommunications segments.

Over the period of last 15 (fifteen) years, we have established our reputation and reliability in the market. Our Company based on its experience and its standards, conforms to major specifications and customer requirements. We are in a position to manufacture certain customer-specific products that have good value addition as well as technical edge enabling us to manufacture and export certain products. Our products have enabled us to achieve and maintain the ISO 9001-2000 certification since 2005. We are recognized as “Star Export House” by Ministry of Foreign Trade, Government of India for our performance in export of our products for last 2 (two) years.

Besides, catering to the domestic markets, our Company is also exporting its products to countries like U.K., Singapore, Hong Kong and Sri Lanka.

Following are the details of the financials for our Company for the fiscal years 2010 and 2011: -

(₹ in Lacs)

Sr. No.	Particulars	Fiscal 2011	Fiscal 2010
1.	Total Revenue	64,598.59	30,483.64
2.	Profit before tax	3,908.97	1,241.60
3.	Profit after tax	3,028.34	1,003.66

LOCATION OF OUR MANUFACTURING UNITS

Our Company has 4 (four) manufacturing units, details of which are given below: -

Manufacturing Units	Location	Products Manufactured
Kurkumbh	A-3 MIDC Kurkumbh Tal Daund, Distt Pune- 413805	Bare Copper Wire, Silver/Tin Plated Wire, Tin Wire, Bunched Copper Wire, Strips, Enamel Copper Wire.
Silvassa	S.No. 37/1/2 Gala No 2, Waghara Khadi Road, Silvassa- 396191	Bare Copper Wire, Bus Bars, Strips.
Parwanoo – Unit I	Khasara No 372/1, Village Nariyal Nr Canter Union, Parwanoo, Dist Solan, Himachal Pradesh 173220	Bare Copper Wire, Bunched Copper Wire, Strips.
Parwanoo – Unit II	Khasara No 753-754 Sector 2, Parwanoo, Distt Solan, Himachal Pradesh-173220	Bare Copper Wire, Bunched Copper Wire.

COMPETITIVE STRENGTHS

(i) Proven and experienced management team

One of our promoters, Mr. Anand Satpute has over 40 years of experience in this field. We believe that our promoters and senior management team have adequate experience in the commissioning of and operating manufacturing capacities, managing finance, sales, business development and strategic planning. This enables us to explore and seize new opportunities and accordingly position ourselves to introduce new products to capitalize on the growth opportunities in the wire sector and help in our foray into the cable sector. Our Company's policy of back-to-back hedging for the fluctuating copper prices has yielded good results for the past decade, keeping the Company and the management more focused on adding value to copper at every stage. The Management policy to plough back the profits generated year after year, to add to the product portfolio and sustaining the profit margins at every growth level has been one of the key parameters for success.

(ii) State-of-the-art equipment and technology

Our Company has invested in modern technology and equipment across all areas of its operations. Our management believes that our Company's manufacturing technology is on par with its competitors. Additionally, our Company also keeps abreast with the latest developments in technology by attending international fairs & various other seminars & expositions and regular interactions with existing machinery suppliers. Upgradation in machines and training of manpower is always a focus of our Company in order to maintain the technology at par with international standards.

(iii) In-house developmental capabilities

Our Promoter, Mr. Anand Satpute has vast experience in the wire industry of the last 40 years. During his work tenure with a leading multi-national electronics company he has acquired knowledge about metal finishing on various substrates and selected 'reel to reel' electroplating on wires and strips, which is his area of expertise.

His efforts have helped us develop processes and technology to make our manufacturing process more efficient and broaden our product range. With the help of his knowledge and experience, we have developed an in-house capability of electro- refining copper. This refining activity helps us to remove all the impurities from any impure copper base (such as scrap utensils, and anodes) to give us pure quality copper with 99.99% purity. This helps our Company to export its entire product range, especially electro plated products (silver plated/tin plated), to various countries.

(iv) Quality products

We have invested in high-quality machinery, to ensure consistent quality of products. We believe the consistent quality of our products sets us apart from the unorganized sector of the Wire industry and enables us to compete with the organized sector. In recognition of our quality standards, our Company is certified as ISO 9000:2001 certified by TUV South Asia Private Limited.

(v) Established Customer Base

Our Company has an established customer base in India and is fast establishing its presence in the overseas market. In the Indian market, our Company supplies its products to the manufacturing industry. In the overseas market, our Company supplies its products in U.K, Hongkong, Sri Lanka and Singapore. Our Company is recognised as a "Star Export House" by the Government of India, Ministry of Foreign Trade since last 2 (two) consecutive years.

(vi) Cost Effectiveness and locational advantages

Our manufacturing units situated at (i) Kurkumbh, Pune, Maharashtra (ii) Parwanoo, Himachal Pradesh and (iii) Silvassa, Dadra and Nagar Haveli are well connected by road and rail to the rest of the country and are in close proximity to local markets and major ports. This facilitates efficient movement of raw materials into the factory locations. The proximity to Nhava Sheva Port Trust at Mumbai also facilitates the export of our finished goods to various countries. This is a matter of considerable importance given that about 55% of our turnover in FY 2011 was accounted for by exports. Mumbai (considered to be the commercial and financial capital of India) is approximately 165 kilometers and 180 kilometers from Pune and Silvassa respectively; thus these locations are proximate to a major Indian metropolis.

Our manufacturing units are located in states we believe offer potential market for our products thus reducing the logistical costs associated with delivery. For instance, strategic location of Parwanoo units also helps to market the product in the neighbouring Delhi-NCR and North Indian markets.

Our manufacturing units at Parwanoo and Silvassa are under the special incentives schemes granted by the Government, which entitles our Company to the following benefits and translates into cash inflow resulting in overall business growth:

- Parwanoo unit I had enjoyed benefits of 100% income tax exemption for the first five years starting from 2006-07 and Parwanoo unit II is entitled for 100% income tax exemption for the first five years starting from 2010-11. Further, these units are eligible for Excise Duty exemption, local VAT and lower rate of 1% CST; and
- Silvassa unit is eligible for VAT/CST exemption.

Business Process

Potential Customer is identified based on referrals, enquiry through e-mail or past relationship after which we put forth our proposal to them. On being convinced about our products, the customer then sends us their requirement based on which quotations are prepared covering specifications of product, quantity, price etc. A final quotation is drawn up after mutual discussions and purchase order (PO) is received from the customer detailing the schedule of the requirement, based on which, material requirement is assessed and production planning is done. The processing activity then starts as per the schedule provided by the customer. The processing activity may change subject to change in the schedule of the activities of the customer. After the processing is done a quality check of the sample takes place to ensure that the standards set for the product are met with. After the product passes the quality check then goods are packed and invoice is raised. Goods are dispatched to the customers' specified location and payment is received.



BUSINESS STRATEGY

The key elements of our strategy are as follows:

Our Company's growth strategies over the short and medium term are based on the following factors:

(v) Strengthening of product Portfolio and manufacture of new products

It is our Company's endeavour to constantly develop new products to cater to our customer's requirements both within its product framework as well as for new products.

We are in the process of setting up new manufacturing unit in or around Pune for manufacture of wires and cables and expansion of existing unit at Silvassa. *For further details on the same, refer to the chapter titled "Objects of the Issue" on page 64 of this DRHP.* Both the units would manufacture wires and cables with varied applications and would enable us to cater to industrial, construction, power transmission and distribution industry. Our strategy to enter into cable manufacturing will further enhance our product portfolio.

(vi) Continued expansion of domestic and international markets

We seek to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost effective, technically advanced solutions to our clients. This will be a strategy that our Company will adopt in the near and middle term. About 45% of our Company's products are sold in the domestic market and about 55% in the export market. Our Company exports its products to UK, Hongkong, Singapore and Sri Lanka. Our Company will continue exploring opportunities in various countries where it can supply value added products to enhance its geographic reach.

(vii) Focus on capitalizing on the growth opportunities in the power and infrastructure sectors in India

A wide range of wires and cables are manufactured in India which includes communication cables such as jelly filled telephone cables, optic fibre cables, local area network cables, switchboard cables, co-axial cables, Very Small Aperture Terminal (VSAT) cables, electrical cables such as electrical wires, winding wires, automotive/ battery cables, Uninterrupted Power Supply cables, flexible wires, low voltage power cables and Extra High Tension Power cables.

The power cable industry may be mainly divided into four segments viz; house wiring (up to 440V), Low Tension (1.1 KV to 3.3KV), High Tension (11 KV to 66 kV), Extra High Voltage (66kV and above) With infrastructure receiving priority attention from the Government of India, construction, power and telecom sectors are fast developing. This is expected to provide a fillip to wire and cable industries in near future. In 2009-10, the non-SSI sector has reported production of insulated cable & wires of all kinds 96.50 lakh core kms and in the year 2010-11 (April-December) the production was reported at 93.35 lakh core Kms. India exported wires and cables (HS code. 7413 & 8544) of value around ₹ 2409.91 crore in 2008-09 against import of around ₹ 3965.52 crore during the same period. During the year 2009-10 the export was around ₹ 1,636.83 crore against import of ₹ 3,276.80 crore during the same period. During the year 2010-11 (April-June) the export was ₹ 405.58 crore against the import of ₹ 690.10 crore during the same period. The industry is de-licensed and eligible for automatic approval for Foreign Direct Investment up to 100%. In light of the growing development in the wire and cable industry in India, we believe there would be a sustained growth in demand for copper wires and cable products. Further, as can be seen from above, imports in this sector far outweigh the exports which clearly establishes the strength in domestic demand. (*Source: Ministry of Commerce & Industry, Annual Report 2010-11*)

(viii) Strengthen our brand value and create awareness for our products

Our Company has been marketing the products manufactured and/or distributed by us under the brand name “Duplex”. We believe the brand name has steadily gained recognition among consumers which is reflected in the continued growth of our sales figures over the course of the last three financial years. We intend to invest in developing and enhancing recognition of our brand “Duplex”, through brand building efforts, communication and promotional initiatives such as advertisements in print media, hoardings, electronic media, organizing events, participation in industry events, public relations and investor relations efforts. This will help us to maintain and improve our global and local reach. We seek to capitalise and expand in the organized space of the copper wire products industry, in this environment and consequently, we believe it is essential for us to invest in strengthening our existing brand and to develop new brands in order to capitalize on our existing position in the market.

OUR PRINCIPAL PRODUCTS

1. Bare Copper Wire



We manufacture Bare Copper Wires from 0.15mm to 6mm diameter and can provide it in customized form and packaging as per customer needs. The Bare Copper Wires are used in electrical appliances, electronics and conductors.

2. Tinned Coated Wire



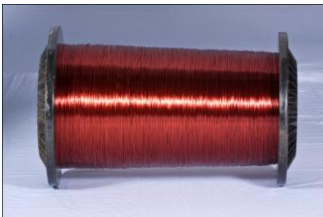
We manufacture Tin coated wires in range of 0.4mm to 2mm diameter and with varied coat thickness as per customer needs. Tin coating process imparts two very useful characters to copper wire. It increases its life and durability and it makes the wire easily solderable. The Tin Coated Wires are used in various types of cables, industrial machines, heaters and high temperature instruments.

3. Silver Plated Copper Wires



Silver plated wires carry the dual advantages of copper and silver. It has high conductivity and a shiny surface. This makes it extremely suitable for high frequency wires and coloured textile wires. The Silver Plated Copper Wires are used in decorative and ornamental electrical appliances and electronics.

4. Enameled Copper Wire



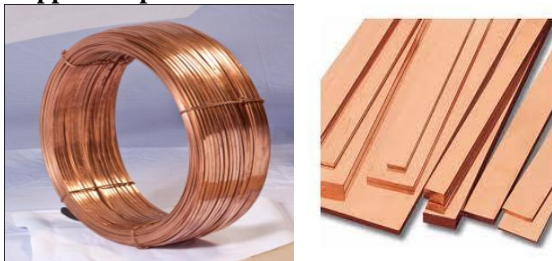
We manufacture insulated wires of thermal classes B, F, H and dual coated products with a wide size range of enameled wires from SWG 14 to SWG 38 (2.0mm to 0.152mm diameter). The Enameled Copper Wires are used in electrical machines such as motors, generators, transformers, house hold appliances, auto-electrical, refrigeration (hermetic) motors, electrical hand tools, fans, switchgears, coils and relays, ballasts etc.

5. Bunched Copper Wire



We manufacture high quality copper and tinned copper wires in bunched and standard from 0.50 sq mm to 85.00 sq mm and above. The bunched conductors can be made from bare as well as tin coated wires of various diameters as per the customer requirements. The Bunched Copper Wires are widely used in electrical appliances for flexible cabling.

6. Copper Strips and Bus Bars



We manufacture and supply variety of sizes and lengths of strips and bus bars to meet specific need of customers. Its main features include dimensional preciseness, high tensile strength and corrosion resistance. The Copper Strips and Bus Bars are mainly used in power transformers, electrical components, railway electrification, panel board, Bus duct manufacturing, commutators, earthing, switch gears and connectors.

INFRASTRUCTURE FACILITIES FOR EXISTING UNITS

Facilities

Our Company's main operations are located in India and its principal facilities include four manufacturing plants across three locations in India including Kurkumbh, Pune; Parwanoo, Himachal Pradesh and Silvassa, Dadra & Nagar Haveli.

Sr. No.	Unit	Freehold/Leasehold
1.	Unit I- Kurkumbh	Leasehold
2.	Unit II- Silvassa	Freehold
3.	Unit III- Parwanoo	Leasehold
4.	Unit IV- Parwanoo	Leasehold

Raw Materials

Manufacturing of copper wires requires basic raw material i.e Continuous Cast Copper Rod, Electrolytic Tough Pitch Grade Copper Rod, Oxygen Free Copper Rod, Oxygen Free High Conductivity Copper rods and Lubricants. Apart from this, other raw materials used for manufacturing plated wires include, silver plates, Tin Ingots, chemicals and other raw materials. We seek to diversify the supply sources of raw materials and presently we are not dependent on any single supplier. We maintain different inventory levels of our raw materials, depending on the type of product and the lead time required to obtain additional supplies. We seek to maintain reasonable inventory levels that achieve a balance between our efforts to reduce our storage costs and optimize working capital on one hand, and the need to ensure that we have access to adequate supplies on the other.

Copper Rod

Copper Rods are the most important raw materials for producing the wires. We source various sizes of Continuous Cast Copper Rod, Electrolytic Tough Pitch Grade Copper Rods from various suppliers, including manufacturing and trading companies, which are located in India, Singapore, Malaysia and Hongkong. Our Company has adequate arrangements with suppliers for procurement of copper rods.

Other Basic Raw Material

The other basic requirements of raw materials are as follows:-

Process/ Products	Raw Material	Source
Wire Drawing	Lubricants	Local manufacturers
Electroplating	Chemicals	Local manufacturers
Hot Dip Tinning	Cleaning chemicals	Local manufacturers
Enamel Copper Wires	Enamel, varnish	Local manufacturers
Conductors	Paper	Local manufacturers
Plating of Tin	Tin Ingots and Solder Ingots	Local manufacturers
Packaging	Packing materials	Local manufacturers

Power

At all manufacturing units power availability is quite satisfactory. We believe that our needs for power will be adequately met and there will be no shortage of power for our day to day operations at our manufacturing units.

Unit	Connected Load (KW)	Contract Demand (KW)	DG Sets
Kurkumbh	1326	1468	250 KVA DG Sets (2 sets)
Parwanoo Unit I	250	250	35 KVA
Parwanoo Unit II	50	50	
Silvassa	67	67	

Water

The manufacturing process requires water only for cooling purpose and does not involve large quantities of water. The water availability for all four manufacturing units are sufficient to meet our demands.

Compressed Air and Cooling Arrangements

Compressed air, cooling towers and chillers are used in the manufacturing process. Our Company has installed sufficient compressors, chillers and cooling towers for our existing manufacturing units.

Effluent Treatment and Waste Management

Our Company is committed to preserving the environment and minimising emissions and effluents. The waste/rinse water from the process which contains chemicals is treated in an automated 'Effluent Treatment Plant' which treats the water of all chemicals as per the required standards laid down before it is drained out of our units.

Manpower

The manufacturing process requires an appropriate mix of skilled and unskilled labour. Our Company has maintained harmonious relationship with our employees and there have been no instances of any labour unrest or agitation or strike since incorporation. There is easy availability of labour around the towns and cities where our manufacturing units are presently located and we do not foresee any problem in hiring additional manpower.

The total number of employees as on the date of the filing of this DRHP with the SEBI was 75, details of which are provided herein below: -

Unit	Managerial	Skilled	Unskilled	Total
Registered Office	6	5	5	16
Kurkumbh	7	19	6	32
Parwanoo Unit I	3*	7	13	23
Parwanoo Unit II	-	-	2	2
Silvassa	2	0	0	2
Total	18	31	26	75

* The managerial personnel of the company at Parwanoo Unit I and Unit II are the same.

Safety and Health

We believe that we are in compliance, in all material respects, with applicable health, safety and environmental regulations and other requirements in our operations and also maintain adequate workmen's compensation, group medical insurance and personal accident insurance policies.

We are committed to providing a safe, clean and healthy environment and do not envisage any difficulty in meeting the required parameters to maintain a clean and healthy environment. We monitor injuries, near misses and lost time in accidents on a continuous basis and operate a safety management system at our manufacturing units. Our Company makes conscious efforts for improving safety record and has installed fire extinguishers and provided uniforms, safety shoes/gloves, helmets to all employees working at our manufacturing units.

Plant and Machinery

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

Kurkumbh Unit

Sr.No.	Name of the Machineries	Qty	Import/ Indigenous
1	Rod Breakdown Machine DL-13/RD13	2	Imported
2	Intermediate Wire Drawing Machine MD17B	2	Imported
3	Fine Wire Drawing Machine BT16	1	Imported
4	Fine Wire Drawing Machine B16	2	Imported
5	Hot Dip Tin Plating Machine AN24	1	Imported
6	Bunching Machine	2	Imported
7	Super Enamelling Dual Coating Machine RXHW4300	1	Imported
8	Resistor Manufacturing Machine	10	Indigenous
9	Copper Strip Manufactruing Machine	1	Imported
10	Wire Welding Machine Cold/Electrical	6	Imported
11	Pointing/Threading Machine	3	Imported
12	Electroplating Line	2	Indigenous
13	250KVA DG Set	2	Indigenous
14	Weighing Scale 6MT	1	Indigenous
15	Weighing Scale 600Kg	1	Indigenous
16	Weighing Scale 300Kg	1	Indigenous
	Other Allied Equipments		
1	Wire Drawing Lubricant Filtration Units	2	Imported
2	Air Compressors	2	Imported
3	DM Water Plant	1	Indigenous
4	Cooling Towers	2	Indigenous

Sr.No.	Name of the Machineries	Qty	Import/ Indigenous
5	Heat Exchangers	3	Indigenous
6	Fork Lift	2	Imported
7	EOT Crane 5MT	1	Indigenous
8	Tensile Tester	1	Indigenous
9	Motorised Elongation Testing Machine	1	Indigenous
10	Global Solder Testing Machine	1	Indigenous
11	Hot Dip Solder Testing Machine	1	Indigenous
12	Conductivity Testing Machine	1	Indigenous
13	Oven for Lab	1	Indigenous
14	Unidirectional Abrasion Tester	1	Indigenous
15	Cut Through Tester	1	Indigenous
16	12.5 KV BDV Tester	1	Indigenous
17	3KV Pin Hole Tester	1	Indigenous
18	Mandrel Tester	1	Indigenous
19	Spring Back Tester	1	Indigenous
20	BDV Twisting machine	1	Indigenous
21	Magnifying Len	1	Indigenous
22	Meletr Weight Balancw	1	Indigenous
23	Hot Plate	1	Indigenous
24	Die Polishing Machine	1	Indigenous
25	Die Cleaning Machine	1	Indigenous

Parwanoo Unit I

Sr.No.	Name of the Machineries	Qty	Import/ Indigenous
1	RBD Machine	1	Indigenous
2	Fine Wire Drawing Machine	11	Indigenous
3	OnLine Annealing Machine	2	Indigenous
4	Bunching Machine	3	Indigenous
5	Hot Dip Tinning Machine	2	Indigenous
6	Pointing Machine	1	Indigenous
7	Welding Machine	4	Indigenous
8	Rewinding Machine	2	Indigenous
9	Generator-35KVA	1	Indigenous
10	Transformer	1	Indigenous
11	Hand Drill Machine	1	Indigenous
12	Weighing Scale 500Kg	1	Indigenous
13	Micrometer Digital	1	Indigenous
14	Annealing Furanace With MS Pots & Burner	1	Indigenous
15	Chain Pulley Block	1	Indigenous

Parwanoo Unit II

Sr.No.	Name of the Machineries	Qty	Import/ Indigenous
1	Fine Wire Drawing Machine	2	Indigenous
2	Flattening/Strip Making Machine	1	Indigenous

Silvassa Unit

Sr.No.	Name of the Machineries	Qty	Import/ Indigenous
1	RBD Machine	1	Indigenous
2	Draw Bench	1	Indigenous
3	Electrical Furnace for Flats	1	Indigenous
4	Vertical Drawing Machine	1	Indigenous
5	Horizontal Drawing Machine	1	Indigenous
6	Electrical Furnace and 2 Pots Set	1	Indigenous
7	Hoist	1	Indigenous
8	Rolling Machine	1	Indigenous
9	Hand Press	1	Indigenous
10	Drill Machine	1	Indigenous
11	Pointing/Threading Machine	2	Indigenous
12	Weighing Scale 300Kg with Printer	1	Indigenous
13	Hack Saw Machine	1	Indigenous
14	Bench Grinder	1	Indigenous
15	Welding Machine	2	Indigenous
16	Welding Transformer	1	Indigenous
17	Air Compressor	1	Indigenous
18	Rod Straightening Machine	1	Indigenous

Marketing & Distribution

We manufacture products basically on 'made-to-order' basis as per Customer specification. Marketing is centrally controlled from Pune. There is no dealer, distributor network for Duplex products in India as well as abroad. Except in U.K. where product goes directly to the customer, exports are through Indenting Agents. Local sales are also direct to the customers including OEMs, end-users and traders in replacement market.

By having units at strategic locations of Pune, Silvassa & Parwanoo, we are in a position to cater to our clients across the country on competitive terms. Having been in the field for the past 15 years and having produced quality products, we are identified as one of the reliable suppliers in the electronic and electrical markets.

Changing the product mix as well as catering to various customers in various industries has helped us maintain our growth momentum. Our focus has been on high volume with optimum margins.

In the overseas markets, we market our products through indenting agencies. We are presently exporting to U.K., Singapore, Sri Lanka and Hong Kong. We have initiated steps for widening our export customer base to Middle East as well.

Our Company's customer profile for wire products includes OEMs and traders in domestic market as well as international market. We have been marketing ourselves as manufacturers of Wires through websites, public relation events and exhibitions.

We sell our products primarily under sales contracts and purchase orders, as follows:-

Sales contracts and Purchase Order: We enter into sales contracts on various terms with our customers and are obliged to deliver products according to a pre-agreed price and schedule during the term of the contract. We grant certain customers credit terms on the basis of the reputation of the customers and their previous credit record with our Company. With respect to the other customers, we typically seek full payment or grant of 'Letters of Credit' before shipment. We also sell our products against purchase orders placed by our customers.

APPROACH TO MARKETING

Our Company has established itself as a manufacturer and supplier of Bare Copper Wires to various end users. We have increased our products basket in the last few years and now intends to appoint dealers, distributors and agents to sale and market its products in Domestic as well as International market. Our Company has plans to exhibit its product range in the Domestic and International exhibitions. We have already set up our website to create a presence in the Copper product industry and are in the process of setting up marketing team and build up a strong back end support for sales for its various new products it proposes to manufacture.

The overall goals for marketing plan are to: -

- Gain market awareness with respect to the demand for the new product developments in the local markets;
- Prepare viable advertisements, sales promotions, sponsorships, database programs and other marketing communication tools for consumer markets; and
- Market its products by participating in tender to procure contracts and undertake to supply products to Public Sector Undertakings, Governments and large private clients.

COMPETITION

The market for wire products is highly competitive and continually evolving. We expect to face increased competition, which may result in price reductions, reduced margins or loss of market share. We believe that the key competitive factors in the market for copper wire products include: -

- Manufacturing efficiency and quality;
- Performance
- Price;
- Lead time;
- Strength of supplier relationships; and
- Reputation.

As a copper wire manufacturing company, we currently face competition from domestic companies such as Ram Ratna Wires Limited, Precision Wires Limited, Nissan Copper Limited etc. We may also face competition from other large Indian and international companies, with whom we might not be able to compete, as successfully if they consider setting up facilities to manufacture products similar to those currently manufactured by us. We expect competition to remain high in view of the immense growth potential.

NEW PROJECT

We propose to set up a new unit in or around Pune for manufacture of Wires and Cables having an installed capacity of 8480 MT per annum. We are also embarking on an expansion in our existing Silvassa unit, to manufacture Bare Copper Strips and Insulated Copper Strips including Fibre Glass covered Varnish Bonded Copper Strips, Kapton Film covered Copper Strips, Enamel coated Copper Strips and Paper covered Copper Strips with an installed capacity of 10,800 MTPA.

Rationale for the New Project:

A. Wires & Cables:

Setting up of a unit to manufacture Wires & Cables is a natural extension of the existing product line of our company. Having established ourselves in bare copper wire industry for past 15 years and having been closely associated with the Wire & Cable industry as a manufacturer and supplier, we now propose to set up Wires & Cables manufacturing unit as a forward integration initiative.

Products to be manufactured	Proposed Capacity
HV Cable	1,500.00
Flexible cables (Single & Multi core)	3,000.00
Solid Conductors (Armoured or Unarmoured)	4,380.00
Total Capacity	8,480.00

B. Bare & Insulated Copper Strips & Conductor:

In order to meet the requirement of strips (both bare & insulated) from the power and infrastructure sectors which is expected to witness significant growth, we plan to set-up additional facilities at the existing location of Silvassa. The proposed units envisages manufacture of Bare Copper Strips and Insulated Copper Strips including Fibre Glass covered Varnish Bonded Copper Strips, Kapton Film (DuPont) covered Copper Strips, Enamel coated Copper Strips and Paper covered Copper Strips with an installed capacity of 10,800 MTPA.

(MT Per Annum)			
Products to be manufactured	Proposed capacity	Existing Capacity	Post Expansion
Bare Copper Strips	4,800	3,600	8,400
Fibre Glass covered varnish bonded copper strips	1,500		1,500
Kapton film covered copper strips	1,500		1,500
Paper covered copper strips	1,500		1,500
Enamel coated copper strips	1,500		1,500
Sub-total	10,800	3,600	14,400

A. Wires and Cables Unit:

Location:

The Unit is proposed to be located in or around Pune, Maharashtra for which we intend to acquire about 8 acres (3,50,000 sq.ft approximately) of land. We have presently not identified the land for this purpose and are yet to enter into any definite agreements for the purchase of the same.

Infrastructure:

Raw Material and Consumables

The key raw materials used in the manufacturing of Wires & Cables are Copper Rods, Copper Tapes, Aluminium Rods, PVC Compounds, Master Batches PVC Compound, and GI Wires. We have been sourcing copper rod, the most important raw material, from reputed domestic manufacturers and through import. We also plan to tap existing sources for the proposed requirement of copper rod. The other key raw material used is aluminum rods. There are several reputed domestic suppliers of aluminum rods such as Hindalco Industries Ltd., Bharat Aluminum Company Ltd., National Aluminum Company Ltd and Indian Aluminum Company Ltd. and also by way of imports. For PVC Compound, we propose to set up own plant and Master Batches will be procured from indigenous sources. Requirement, if any of additional compound can be procured from indigenous market.

Power

We propose to apply for power connection from MSEB for the anticipated load for the new unit. Power requirement for the proposed unit is estimated at 7.2MW for which we plan to establish 11/0.433KVA sub-station. We also plan to have 100% power back facility by way of captive DG Set (2 x 320KVA) for the proposed plant.

Water

We propose to make appropriate arrangements to meet the water requirements for production process (for cooling purpose) and for sanitation purposes by building suitable storage facility underground.

Fuel oil

For meeting the requirement of fuel oil, we plan to enter into contracts with oil marketing companies.

Manpower

Our estimated manpower requirement for our Wire and Cable Unit is detailed below and the same would be recruited locally :

Unit	Skilled	Unskilled	Total
Wires and Cables	60	51	111

As our new unit is proposed to be set up in or around Pune, we do not anticipate any difficulty in sourcing the required utilities and manpower.

Plant & Machinery:

For details of requirement of Plant and Machinery for the Wires and Cables unit, please refer the section “Objects of the Issue” on page no 64 of this DRHP.

We have not placed orders for any of the plant and machinery that we propose to acquire for the proposed unit. Further, we do not intend to purchase any second hand machinery for our proposed unit at Pune.

Manufacturing Process

The basic components for cable manufacturing are conductors Copper /Aluminium /Alloy, Dielectric Insulation, Inner Sheath, Armouring and Outer Sheath.

Step 1-Drawing

Wires are drawn in required sizes as per the specification by using Copper /Aluminium as well as Alloy conductor.

Step 2-Step Annealing

The drawn wires are then softened by heating and slow cooling. This process is called annealing.

Step 3-Stranding

Then, the wires are grouped together in order to make the Electrical cables more flexible. In this process, smaller individual wires are twisted or bunched together to produce larger wires that are more flexible than solid wires of similar size. A thin coat of a specific material is coated, usually tin, on the individual wires which provides better solderability.

Step 4-Insulation

Insulation is a process in which the conductors/cables are covered with material as per the requirement to provide the insulating properties required by the user according to the national/international/customer specification. Cables are manufactured with both thermoplastic and thermosetting insulation. They are insulated with PVC/PE/XLPE etc. as required by the specification. Insulation for the cables are strictly done and applied over conductor by extrusion process through the electrical process and passing through the online tests and is in accordance with the national and international standards.

Step 5- Core Rewinding

All the cores after insulation process are rewound to the particular required lengths, passing through the electrical stress test i.e. spark testing. All cores are allowed for further processing after passing through the various physical, electrical and mechanical tests.

Step 6- Twisting and Screening

The cores as per the colour schemes and parameters laid down in the particular job order are twisted together to form a pair. The twisted pairs, if required are screened with any of the following methods as per requirements of the job.

1. Aluminum Mylar Taping, having Drain Wire / ECC underneath it
2. Copper / G I Wire Braiding
3. Copper Taping with Drain Wire /ECC underneath it

Size of the tape and coverage depends on the requirements. All the screened and unscreened pairs are passed through stage inspection for physical, electrical and mechanical tests, after which the same are released for further process.

Step 7- Laying/Overall Cable Screening

Cores / pairs are arranged as per the colour sequence in layers required in the standard and are laid together to form a round cable, keeping length of the lay in a view that the cable may not open after laying. In case of screened instrumentation cable, the laid up cables are screened with the methods as mentioned above in twisting / screening. All the laid up cables passed through stage inspections and are cleared for further process.

MANUFACTURING PROCESS FLOW CHART



Step 8- Inner Sheath

Laid up cables are provided with inner sheath with high quality of PVC which acts as bedding for wires / steel strip armouring. Wherever required, fillers are provided to maintain the circularity of the laid up cables. Inner sheath is applied either by extrusion or by wrapping. Though the inner sheath is closely fitted on the laid up cores, it can be removed with ease without damaging the inner components. The inner sheath dimensions are maintained strictly in accordance with relevant national/international specification.

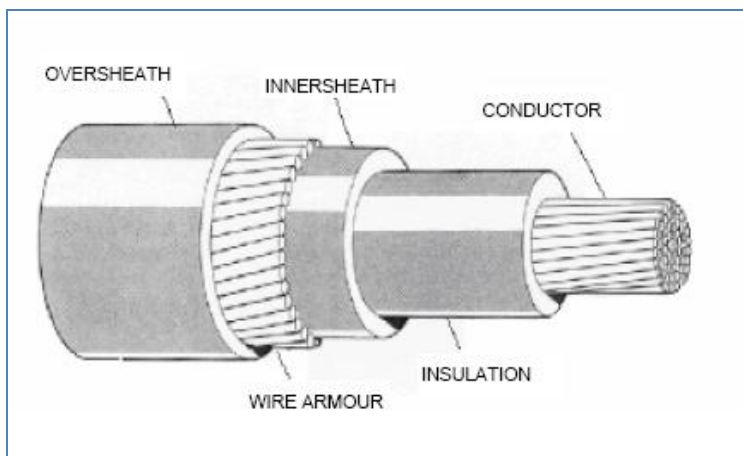
Step 9- Armour

Armouring is basically metal covering which is done above inner sheath with specified GI wire/strip by armouring machine. Mechanical protection to the cable is provided with armouring. Single core cable are armoured with aluminum or aluminum alloy wires/ strips, Multi core/ pair cables are provided with Galvanized round wire/Strip armouring, where cables are to run vertically and are subjected to longitudinal stress. Armour wire / Strips used for armouring meet the requirements of relevant Indian/ International standards.

Step 10- Outer Sheath

Outer Sheathing will be done above Armouring by Extruder with specified thickness to complete the Cable process. All cables are provided with PVC / Polymer outer sheath.

The following diagram shows various layers of a cable:


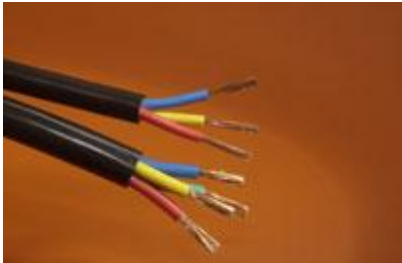


Our proposed units for Wires and Cables would manufacture the following products.

	Wires & Cables	Product Details	Specifications / Standards
1	Flexible Cables		
	Single Core	Copper Conductor Single Core Industrial Cable PVC Sheathed	IS Standards
	Multi Core	Copper Conductor Multi Core Industrial Cable PVC Sheathed	IS Standards
2	Solid Conductors	Industrial Cables PVC Sheathed	Confirming IS Standards
	Unarmoured	Unarmoured PVC Insulated & Sheathed Cable	Both Copper and Aluminium (Ayy1554 part 1)
	Armoured	Armoured PVC Sheathed Cable	Both Copper & Aluminum IS 1554 Part 1 (1.1KV)
3	HV Cable	Medium & High Voltage	IS 7098 Part II

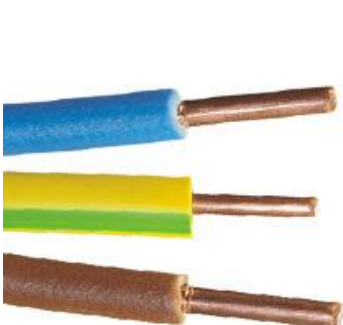


Flexible Cables:

We plan to make both single & multi-core cables:

Flexible Cables	Single Core Flexible Cables	Multi Core Flexible Cables
		
Application	<p>These products would conform to IS 694 and generates good demand from Residential Buildings, Malls, Commercial complexes, IT Parks etc.</p> <p>Automotive sector is another major sector where these products find application.</p>	<p>Multi Core Flexible Cables for Appliances, Automotive and Building sectors;</p> <p>Quantity demand product particularly in Appliances, Power cord, Panel wiring, & building sector;</p>

Solid Conductors

These cables are used for wiring commercial and domestic buildings. They are also used for industrial electrification. These conductors offer low conductor resistance, they result in lower heating thereby increasing its life and also resulting in savings in power consumption. These wires are insulated with a special grade PVC compound which is impervious to water, oil, grease, acids, etc. and are tough against any mechanical abuses.

Solid Conductors	Un-armoured Cables as per IS 1554 part I	Armoured Cables as per IS 1554 part I
		
Applications	Supply of Power	Supply of Power

High Voltage Cables

A high voltage cable (HV cable) is used for electric power transmission at high voltage. High voltage cables of differing types have a variety of applications in instruments, ignition systems, AC and DC power transmission. In any application, the insulation of the cable should not deteriorate due to the high voltage stress, ozone produced by electric discharges in air, or tracking.

The cable system must prevent contact of the high-voltage conductor with other objects or persons, and must contain and control leakage current. Cable joints and terminals must be designed to control the high-voltage stress to prevent breakdown of the insulation. High-voltage cable have a metallic shield layer over the insulation, connected to earth ground and designed to equalize the dielectric stress on the insulation layer.

High voltage cables may be of any length, with relatively short cables used in apparatus, longer cables run within buildings or as buried cables in an industrial plant or for power distribution, and the longest cables are often run as submarine cables under the ocean for power transmission.

B. Expansion of Existing Unit at Silvassa:

Location:

The expansion of at Silvassa is proposed on the site where our existing plant is located. There is no requirement of additional land as our existing plot is adequate for housing the proposed expansion.

Infrastructure

Raw Materials:

For Bare Copper Strips and Insulated Copper Strips the key raw materials are Copper Rod, Varnish, Yarn, Films and Paper. We have been sourcing copper rod from reputed domestic manufacturers and also through imports and we do not anticipate any difficulty in tapping our existing sources for meeting the proposed requirement of copper rod. Other raw materials like varnish, yarn etc., are locally available and the local market will be tapped for the same.

Power:

We propose to apply for power connection from local SEB for the anticipated load for the new unit. Power requirement for the proposed expansion is estimated at 1.3 MW for which we plan to establish 22/0.433KVA sub-station. We also plan to have 100% power back facility by way of captive DG Set (2 x 250KVA).

Water:

We propose to make appropriate arrangements to meet the additional water requirements for production process (for cooling purpose) and for sanitation purposes by building suitable storage facility underground.

Fuel oil:

For meeting the requirement of fuel oil, we plan to enter into contracts with oil marketing companies.

Manpower

Our estimated manpower requirement for the expansion is detailed below and the same would be recruited locally :

Particulars	Factory	Admin. Office	Total
Skilled	27	5	32
Unskilled	38	4	42
Total	65	9	74

As our new unit is proposed to be set up in the industrial town of Silvassa, we do not anticipate any difficulty in sourcing the required utilities and manpower.

Plant & Machinery:

For details of requirement of Plant and Machinery for the Wires and Cables unit, please refer the section “Objects of the Issue” on page no 64 of this DRHP.

We have not placed orders for any of the plant and machinery that we propose to acquire for the proposed unit. Further, we do not intend to purchase any second hand machinery for our proposed unit at Silvassa.

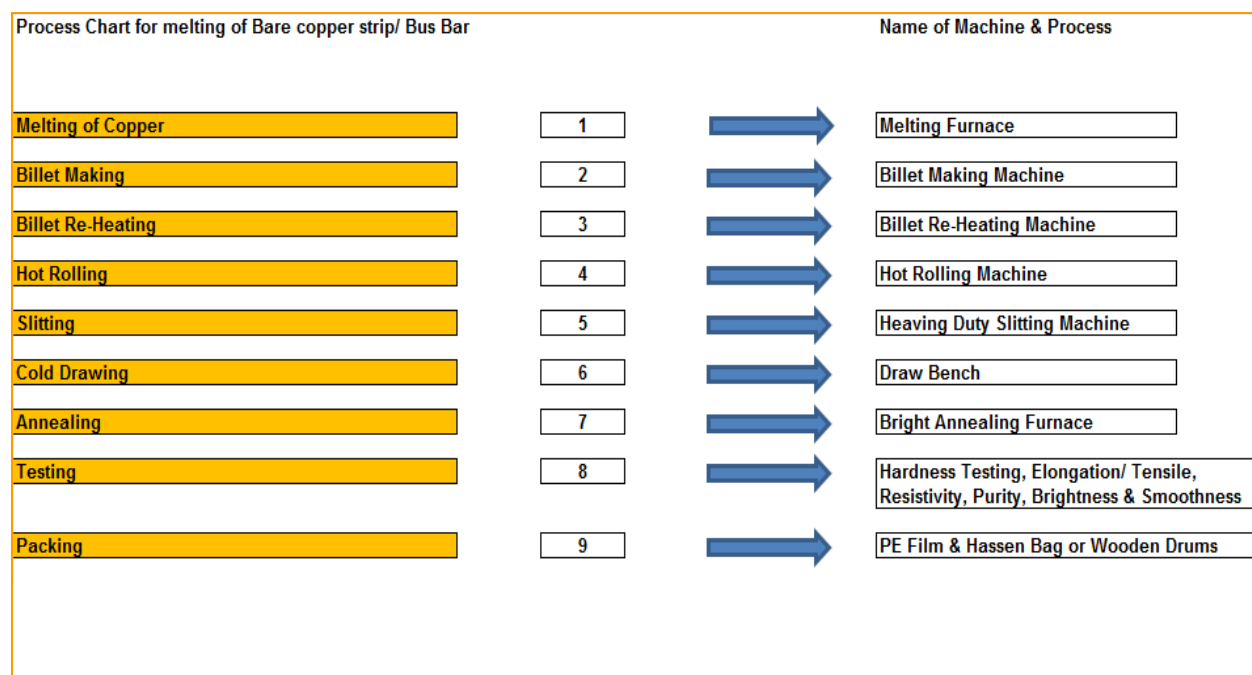
Our Products and their Manufacturing Process

Bare Copper Annealed Strip:



These strips are widely used in automobile and electrical industry as electrical conductors, switch terminals, hardware used in electrical circuits. Its main features include dimensional preciseness, high tensile strength and corrosion resistance either hard, half hard, or annealed condition these strips are extensively used for insulating purpose also for normal or high temperature application either by enamel, fiber glass, or paper covering.

Process chart for manufacturing Bare Copper Strips



Process

Step 1:

Cutting of cathode to required length & cleaning of copper scrap is carried out

Step 2:

Melting: Melting of copper cathode alone or along with ETP/OFC grade scrap is done to cast copper in to billets at required optimum temperature

Step 3:

Billets are prepared by pouring molten copper in the mould to get required shape and size.

Step 4:

Billet pre heating: billet is heated to optimum temperature & immediately after heating it is subjected to hot rolling

Step 5:

Hot rolling: to get required thickness hot billet is passed through rollers for reduction in thickness

Step 6:

Slitting: hot rolled material then cut in to different widths which is used as input size for cold drawing

Step 7:

Cold Drawing: input of hot rolled slitting is passed through one or more number of die passes to get finished size

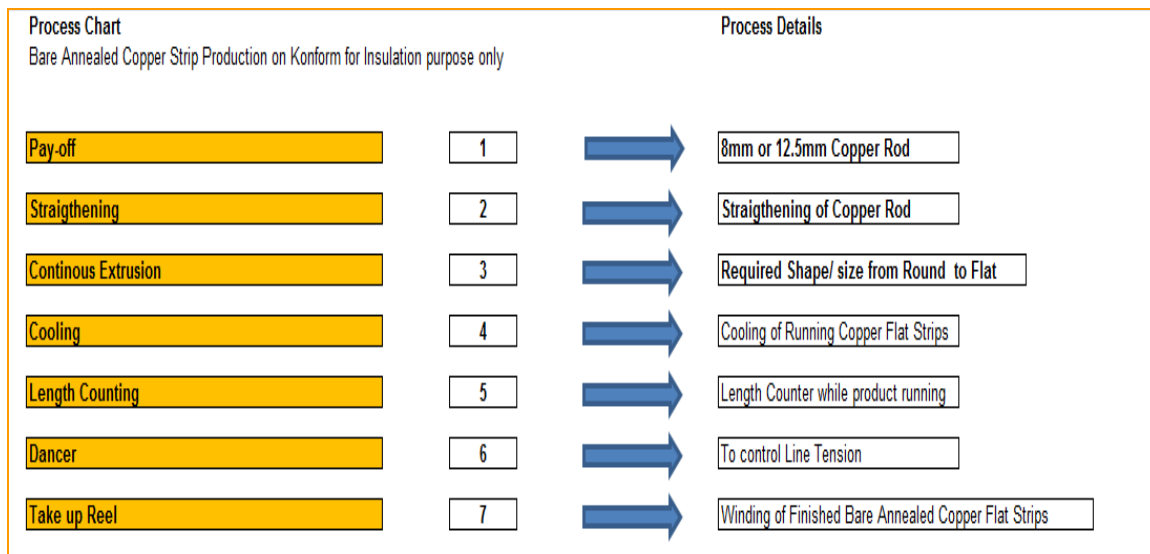
Step 8:

Annealing: during cold drawing copper gets hard to make it soft for cold drawing process if required annealing is done or at the end of cold drawing to get finished strip as annealed copper strip

Step 9:

Cold drawing & annealing process is done several times to get finished size of copper strip / bus bar depending upon final size to produce. During every process dimensions are checked to maintain running & final size of copper strip / bus bar

The process chart for manufacturing Bare Annealed Copper Strip on Konform Machines



Process

Step 1:

Pay off: Round copper rods are used as input raw material for Konform either ETP or OFC grade

Step 2:

Straightening: Before feeding, the rod is passed through a straightening unit to make it straight

Step 3:

Straight rod is then passed through wheel of extrusion machine under pressure before it comes to sizing die, due to high pressure & friction copper gets in to a stage prior to melting

Step 4:

Extrusion: A sizing die is fixed in extruder head die holder to get required size & shape, copper rod feed enters in to die at high pressure at high temperature because of friction & takes the shape and size of die fixed in holder

Step 5:

Cooling of extruded copper strip is carried out by closing head / die & by means of a tube at front of die through which water is circulated continuously which results in cooling of extruded copper strip & preventing oxidation of running copper strip by maintaining non contact to atmospheric oxygen till it gets to normal room temperature by passing in water cooling trough along with water circulation in tube two cooling tanks along with troughs are used, one with plain water & other with ten per cent mixed with ipa grade alcohol along with water to maintain brightness by preventing oxidation of running copper strip plain water & ipa mixed water are in closed recirculation only through circulating tank.

Step 6:

Drying: A hot air blowing unit is used as in line equipment to remove water traces over the copper strip & make it absolute dry in condition during cooling process but before winding on reel

Step 7:

A Length measuring device is used to measure length of running copper strip during process after wiping unit

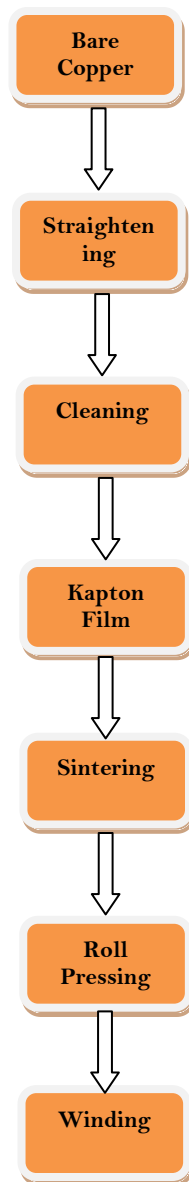
Step 8:

Speed synchronisation of extrusion line is controlled by means of a dancer which maintains precise linear control to run the line continuously at ease. The product we get from Konform is bright annealed smooth surface copper strip. Measuring of size checking during start & process is done

Kapton Film Covered Copper Strips:

Kapton (Brand name of DuPont's Polyimide Film) covered copper strips offer a wide range of applications in the construction of motors, aerospace equipments and nuclear power stations. It provides insulation with high electrical, thermal and mechanical properties over a temperature range of 196°C to +250°C. It provides higher Break down Voltage (more than 8 KV BDV) as well as Temperature Class (220 °C) as compare with other insulated conductors. Insulating materials in traction motors have to withstand high temperatures and frequent changes of load and temperature. Standard materials applied for conductor insulation in Traction Motor application is polyimide film. It has excellent chemical resistance; there are no known organic solvents for the film. Kapton does not melt or burn as it has the highest flammability rating. The outstanding properties of Kapton permit it to be used at both high and low temperature extremes where other organic polymeric materials would not be functional. Kapton gives conductors space saving, which ultimately yields more power without increasing motor size. Kapton provides exceptional overload protection and long motor life, even in the most demanding applications and environments.

Manufacturing Flow Chart and process



Process

Step 1: Copper strips are used as inlet for covering Kapton film

Step 2: Straightening & cleaning is done before it is subjected to film taping while in running

Step 3: Kapton Film application is carried out by means of single layer concentric or double layer concentric taping head to wrap the film over copper strip with required per cent overlap covering

Step 4: Kapton film wrapped copper strips enters in sintering on line oven to bond & seal film together along with copper strip surface to get excellent adhesion by means of controlled pressure given by rollers

Step 5: Kapton film covered sealed & bonded strip pulled by means of a cater puller at study speed

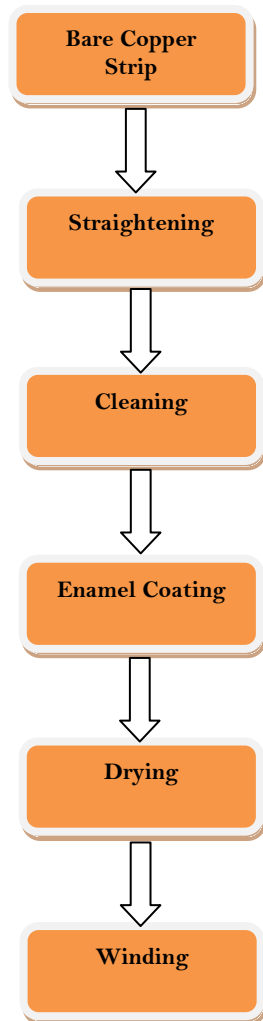
Step 6: Pulled strip is taken in a reel on take up stand with proper winding and synchronisation of line is controlled

Step 8: Measuring of size checking during start & process is done

Enamel Copper Strips

Enamel Copper strips finds application in Electrical machines such as motors, generators, transformers, house hold appliances, auto-electrical, refrigeration (hermetic) motors, electrical hand tools, fans, switchgears, coils and relays, ballasts etc. DIL plans to manufacture the insulated wires of thermal classes B, F, H and dual coated products with a wide size range of enameled wires from SWG 14 to SWG 38 (2.0mm to 0.152mm diameter).

Manufacturing chart and process



Process

Step 1: Copper strips are used as inlet for enamel coating

Step 2: These strips are subjected to Straightening & cleaning unit which is a in line device of enamel line

Step 3: Depending upon temperature class enamel is selected & is stored in a stainless steel tank from where it is being applied to running copper strip by means of applicator over the strip

Step 4: Copper strip duly coated with thin coat of enamel is subjected to a heating oven while in running & simultaneously cooling which allows enamel to coat on strip by evaporating solvents & left solid contents to get coated over strip this process is carried out several times to get coat of enamel to required thickness, a precise nozzle is used to maintain one coat thickness during process at every coat

Step 5: To maintain viscosity of the enamel to be coated small amount of thinner is added at intervals by an automatic system.

Step 6: The number of coats and passes vary as per thickness to be given

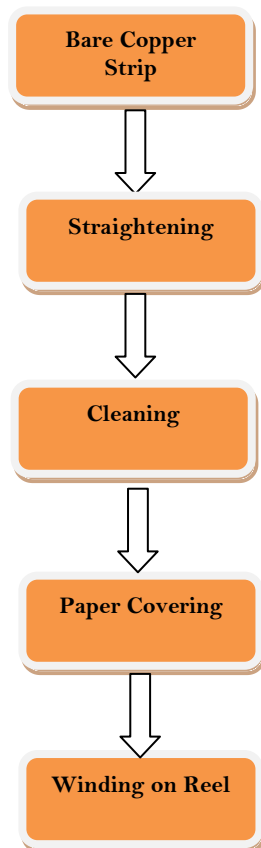
Step 7: Enamel coated & dried copper strips taken on reel during running after coating & drying to ensure continuity of coated enamel a high voltage device is used to deduct and confirm pinhole if any during process

Step 8: Measuring of size checking during start & process is done

Paper Covered Strips

We will be one of few manufacturers in the country to manufacture paper covered conductors with various types of papers to suit exact requirement of customers need. Papers with various thermal, chemical and mechanical properties are chosen to get specific characters in the conductor. Paper covered wires and strips are special-use insulated products which are extensively used in transformer industry.

Manufacturing chart and process



Process

Step 1: Copper strips are used as inlet for paper covering

Step 2: Straightening & cleaning is done before it is subjected to paper covering while in running

Step 3: Paper covering is done by means of taping head with minimum two & maximum up to eight layers

Step 4: During paper covering over lap per cent covering is adjusted

Step 5: Covered copper strips are pulled at constant speed by means of a cater puller

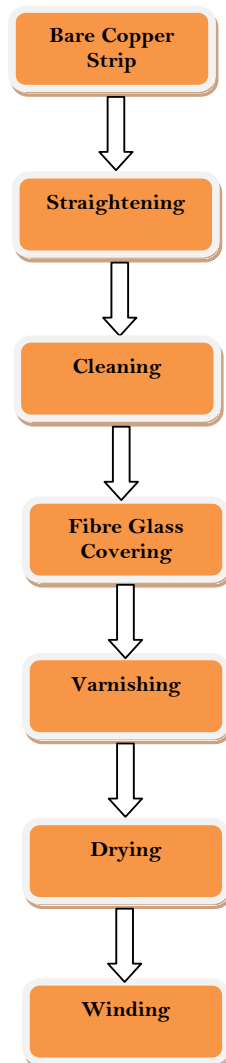
Step 6: Over all line synchronisation is maintained during running

Step 7: Measuring of size checking during start & process is done

Fibre glass covered varnish bonded copper strips

We plan to manufacture Fibre Glass covered varnished bonded copper strips that are extensive used in the electrical and automotive industries because of their applicability in windings for transformers, erection of distribution installation. Wrapped with fine quality fiberglass, these strips offer superior voltage and have shock proof characteristics.

Manufacturing chart and process



Process

Step 1: Copper Strips are used as inlet for fibre glass covering & varnishing

Step 2: Straightening of copper strips is done during running of process

Step 3: Simultaneously cleaning of copper strips is done before it goes for lapping / covering

Step 4: Fibre glass yarn lapped by spinner over strips with maximum three layers

Step 5: Fibre glass lapped strip is then undergo applicator for varnish application with maximum three applicators

Step 6: Once get coat of varnish it is subjected to heat in heating oven to evaporate varnish soluble & solid to stick to glass yarn lapped ultimately to get sealing & bonding together

Step 7: Winding of continuously dried copper strip duly covered & varnished is done in reel

Step 8: Speed synchronisation of line is controlled to run the line continuously

Step 9: Measuring of size checking during start & process is done

Marketing and Distribution for proposed products:

We are established suppliers of bare copper wires and allied products to cable and power equipment manufacturers.

We have also initiated the following marketing initiatives such as:

- Brand Image build-up through group seminars
- Participation in various wire and cable exhibitions.
- We are regular participants in domestic/ international exhibitions.

For marketing of Wires & Cables products we have planned the following strategy:

- a. Launching of products under own brand names.
- b. Forming dedicated marketing and sales team for direct marketing
- c. Vendor registration/ approval with leading EPC/ Industrial consumers
- d. Developing dealers network.

For marketing of Bare & Insulated Copper Strips:

Since we are already manufacturing Bare Copper strips and Enamelled Copper strip, we already have clientele for the said products. We are now adding new value-added products to our product line.

Capacity Utilization

The installed capacity and utilization capacity of our Company's manufacturing units are as below:-

Particulars (in MTPA)	FY 2009	FY 2010	FY 2011
Kurkumbh Unit			
Capacity installed	6000	8000	18000
Total Production	4023	7267	8856
Capacity Utilisation (%)	67.05	90.84	49.20*
Parwanoo Unit-I			
Capacity installed	3600	3600	3600
Total Production	3570	1183	1162
Capacity Utilisation (%)	99.17	32.86	32.28
Parwanoo Unit-II			
Capacity installed	NA	1200	1200
Total Production	NA	0.23	3.00
Capacity Utilisation (%)	NA	0.02	0.25
Silvassa Unit			
Capacity installed	NA	NA	1200
Total Production	NA	NA	22
Capacity Utilisation (%)	NA	NA	1.83**

Particulars (in MTPA)	FY 2009	FY 2010	FY 2011
Bhiwadi Unit ***			
Capacity installed	NA	NA	1200
Total Production	NA	NA	83
Capacity Utilisation (%)	NA	NA	6.92

* The capacity in the Pune unit was increased only during March 2011

** The capacity in the Silvassa unit was installed only during March 2011

*** The unit is now shutdown.

Estimated utilisation of capacity for our existing and proposed products

Products	FY 2012	FY 2013	FY 2014	FY 2015
Existing Products				
Bare Copper Wire				
Capacity Installation (MTPA)	24000	24000	24000	24000
Capacity Utilization (%)	75%	75%	75%	75%
Tinned Plated Copper Wire				
Capacity Installation (MTPA)	300	300	300	300
Capacity Utilization (%)	100%	100%	100%	100%
Enameled Copper Wire				
Capacity Installation (MTPA)	300	300	300	300
Capacity Utilization	100%	100%	100%	100%
Strips				
Capacity Installation (MTPA)	300	300	300	300
Capacity Utilization (%)	27%	27%	27%	27%
Proposed Products				
Wires and Cables				
Capacity Installation (MTPA)	-	13000	13000	13000
Capacity Utilisation (%)	-	17.08%	74.57%	81.41%
Bare Copper Strips	-			
Capacity Installation (MTPA)	-	4800	4800	4800
Capacity Utilization (%)	-	25%	100%	100%
Insulators Strips and Conductors	-			
Capacity Installation (MTPA)	-	6000	6000	6000
Capacity Utilization (%)	-	100%	100%	100%

EXPORT OBLIGATIONS

As on the date of filing of this DRHP, there are no export obligations on our Company.


INSURANCE

We believe, we maintain adequate insurance policies for our moveable and immovable properties. We have obtained marine cargo open policy and also standard fire and special perils policy, for our units. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate.

Strategic, financial partners and collaborators

At present, we do not have any strategic and financial partnership with any other entity. We have not entered into technical collaboration with any entity.

INTELLECTUAL PROPERTY

Our Company has been using the logo being “  ”. However, the said logo is not a registered Trademark and is not owned by the Company. The same is owned by our Co-Promoter Mr. Anil Satpute. He has applied for the registration of the same. The details of the application made are as follows: -

Sr. No.	Application Number	Class
1.	2135951	6
2.	2135952	9
3.	2135953	16

Our Company has entered into a Trademark License Agreement dated July 21, 2011 with Mr. Anil Satpute for the license to use the abovementioned logo for a period of 5 (five) years from the date of the said Agreement against a consideration of ₹ 1/- (Rupee One only). The said Agreement is renewable for a further period of 5 (five) years.

PROPERTY

IMMOVABLE PROPERTY

Our Company occupies certain properties on leasehold, licence and on ownership basis. They are as follows: -

Details of the Property	Use	Owned/ Leased/License	Licensor/Lessor/Vendor	Consideration/ Lease Rental/ License Fees (₹)
Premises at C.T.S No. 72, No. 2 First Floor, Prachi Residency, Kothrud, Pune-411029.	Registered Office	License	Mrs. Kanchan Anil Satpute	Rent - ₹ 40,000/- per month and Security Deposit - ₹ 10,000/-
Non-agricultural land bearing Survey No. 37/1/2 admeasuring 0 Hecter – 30 Are of Village Dadra of Dadra and Nagar Haveli alongwith the factory shed/building admeasuring 276.45 sq. Meters.	Plant	Owned	Mrs. Bindu Ketan Jain and Mrs. Sangeeta Chetan Jain	₹ 32,00,000/-
Land bearing Plot No. A-3 Kurkumbh Industrial Area within the village limits of Kurkumbh Taluka and Sub- District Daund District, Pune.	Plant	Leased	Maharashtra Industrial Development Corporation	Amenities Fees - ₹ 1,025/- as yearly fees or service charge; Rent - ₹ 1/- as yearly rent exclusive of tax; Premium – ₹ 2,67,300/-

Details of the Property	Use	Owned/ Leased/License	Licensor/Lessor/Vendor	Consideration/ Lease Rental/ License Fees (₹)
Land bearing Khasara No. 753, 881/754, First Floor, Village Dangyar, Sector 2, Parwanoo Tehsil Kasauli, Distt. Solan, Himachal Pradesh	Plant	Leased	Smt. Bimla Devi	Rent - ₹ 22,000/- per month; and Security Deposit - ₹ 60,000/-
Land bearing Khasara No. 372/1, Khewat/ Khatoni no. - 43, Naryal village, Parwanoo, Tehsil - Kasauli, Dist Solan (H.P)	Plant	Leased	Shri Chaman Lal Kaul	Rent - ₹ 37,000/- per month and Security Deposit - ₹ 1,11,000/-
Premises at Flat HIG-60-F, Sector - 1A, Parwanoo, Himachal Pradesh.	Residential purposes for employees	Leased	Mr. Devinder Singh Thakur	Rent - ₹ 8,500 per month. Security Deposit - ₹ 17,000

The entities who own the land on which our manufacturing units are located, do not have any relationship with any promoters or directors of our Company. We do not require any approvals pertaining to the land on which our factories are located. The land in respect of which our Company is the owner is registered in its name. Save and except the equitable mortgage created in favour of our lender, the aforesaid ownership lands are free from encumbrances.

KEY INDUSTRY REGULATIONS AND POLICIES

The regulations and policies set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India that are applicable to our Company. The statements below are based on the provisions of Indian law in force, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Labour Laws

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 (the “IDA”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. The IDA distinguishes between (i) employees who are ‘workmen’ and (ii) employees who are not ‘workmen’. Workmen have been provided several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The IDA also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment.

Shops and Establishment Act

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

Employees’ Provident Funds and Miscellaneous Provisions Act, 1952

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Tax Related Legislations

Value Added Tax, 2005

Value Added Tax (“VAT”) is charged on sale of goods in the States under the law enacted by each State in respect thereof. VAT is however, not chargeable on the value of services which do not involve a transfer of goods. VAT is a multi-point levy on each of the entities in the supply chain with the facility of setoff of input tax that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax.

Income Tax Act, 1961

The Income Tax Act, 1961 (“IT Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by 31st October of each assessment year.

Customs Act, 1962

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

Importer Exporter Code

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

Intellectual Property Rights

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for the protection of patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the above domestic legislations India is a party to several international treatise related to intellectual property including the Patent Co-operation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the International Convention for the Protection of Literary and Artistic Works signed at Berne in 1886 (the Universal Copyright Convention of 1952), the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights, 1995 (the TRIPS Agreement).

Regulations Regarding Foreign Investment

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the Reserve Bank of India from time to time, and the policy prescribed by the Department of Industrial Policy and Promotion, which provides for whether or not approval of the FIPB is required for activities to be carried out by foreigners in India. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals is required from the RBI, for foreign direct investment (“FDI”) under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI.

HISTORY AND OTHER CORPORATE MATTERS

Brief History of the Company

Our Company was originally incorporated as Duplex Wires Private Limited on September 26, 1990 with its Registered Office at Plot No. 74, Lane No.3, Natraj Co- op Housing Society, Karve Nagar, Pune 411029. We have mentioned below the details of change in the name and the Registered Office of the Company, since incorporation: -

Changes in the name of the Company

Date	Change in name	Reason for change
At incorporation	Duplex Wires Private Limited	--
May 23, 2011	Duplex Industries Private Limited	For venturing into business other than wires
June 28, 2011	Duplex Industries Limited	Conversion of private company into public company

Change in the Registered Office

Date	Details of registered office	Reason for change
At incorporation	Plot No. 74, Lane No.3, Natraj Co- op Housing Society, Karve Nagar, Pune 411 052.	--
April 2, 2011	CTS No. 712/A, Survey No. 140, Flat No. 2, Prachi Residency, Bhelkenagar Kothrud, Pune – 411 038.	Administrative convenience

Major events in the History of Our Company:

Year	Milestone
1990	Incorporation of our Company
1996	Commencement of first manufacturing unit at Kurkumbh, Pune for electroplating of plated copper wire and solder plated copper wires
1999	Commenced manufacture of Bare Copper Wires
2004-05	First export order
2005	ISO 9001:2000 certificate received from TUV South Asia Private Limited
2007	Commencement of second manufacturing unit at Parwanoo for manufacturing of Bare Copper Wire, Bunched Copper Wire
2009	Our Company was granted the status of “Star Export House”
2010	Commencement of third manufacturing unit at Parwanoo for manufacturing of Bare Copper Wires , Bunched Copper Wires and Strips
2010	Takeover of the business and goodwill of M/s Galvano Technologies
2010	Manufacturing unit at Bhiwadi, Rajasthan was commenced and later shut down in the same year
2011	Capacity expansion of Unit at Pune
2011	Commencement of fourth manufacturing unit at Silvasaa for manufacturing of Bare Copper Wire, Strips and Bus Bars
2011	Change of name of the Company from Duplex Wires Private Limited to Duplex Industries Private Limited
2011	Converted into Public Limited Company

Changes in the Memorandum of Association of our Company

Since Incorporation, the following changes have been incorporated in Memorandum of Association of our Company, after approval of the members:

Sr. No.	Particulars of change	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in the Authorised Share Capital	November 22, 1993	EGM
2.	Increase in the Authorised Share Capital	September 28, 1995	EGM
3.	Increase in the Authorised Share Capital	November 20, 2007	EGM
4.	Increase in the Authorised Share Capital	September 16, 2008	EGM
5.	Increase in the Authorised Share Capital	February 9, 2009	EGM
6.	Increase in the Authorised Share Capital	December 14, 2009	EGM
7.	Increase in the Authorised Share Capital	December 13, 2010	EGM
8.	Increase in the Authorised Share Capital	January 4, 2011	EGM
9.	Increase in the Authorised Share Capital	May 3, 2011	EGM
10.	Change in the name of the Company from Duplex Wires Private Limited to Duplex Industries Private Limited	May 16, 2011	EGM
11.	Change in the name of the Company from Duplex Industries Private Limited to Duplex Industries Limited	June 7, 2011	EGM
12.	Alteration of the Main Object of the Company	July 14, 2011	EGM

Number of Shareholders/ Members

As on the date of this DRHP, the total number of holders of Equity Shares is 10.

Our Main Objects:

The main objects of our Company as stated in the Memorandum of Association are:

- To buy, sell, exports, import, manufacture and/or deal in specialty wires and other products through electroplating and other manufacturing process.*
- To carry on the business of manufacture of Solder coated Duplex type electroplated component lead wires and strips, electroplated and copper clad ferrous & non-ferrous wires and strips electroplated copper/nickel/silver coated ferrous and non-ferrous wires strips and to buy, sell, import, export, manufacture and otherwise deal in cables and wires of all kinds and descriptions including but limited to Electrical cables, Power Cables , Industrial Cables , Control Cables communication cables, ETP /OFHC Copper , Bare Copper Strips, Enamel Strips , Enamel Wires , Paper Covered Wires, Paper Covered Strips, All types of Insulated Strips, Non Ferrous Bus Bars, Foils, Melting Scrap of Non ferrous Metals and Alloys.*

Injunction or restraining orders

Our Company is not operating under any injunction or restraining orders issued by any court/tribunal.

Joint Venture and Other Agreements


As on the date of filing the DRHP, there is no existing Joint Venture or other Agreements entered into by our Company.

Shareholders Agreement

As on the date of filing the DRHP, there are no existing Shareholders Agreements amongst the shareholders of our Company.

Other Agreements

Other than the Trademark License Agreement dated July 21, 2011 entered into between our Company and Mr. Anil Satpute, there are no other material agreements or contracts, which have been entered into within a period of 2 (two) years prior to the date of the DRHP, which are subsisting as on date: The said Trademark License Agreement

between Mr. Anil Satpute and our Company was for the purpose of use the logo being  " " for a period of 5 (five) years from the date of the said Agreement against a consideration of ₹ 1/- (Rupee One only). The said Agreement is renewable for a further period of 5 (five) years.

Strategic Partners

Our Company does not have any strategic partners as on date of the DRHP.

Financial Partners

Our Company does not have any financial partners as on date of the DRHP.

Holding and Subsidiary Companies

Our Company has no Holding and Subsidiary Companies.

Closure of the manufacturing unit at Bhiwadi, Rajasthan

Our Company had setup a manufacturing unit at Bhiwadi, Rajasthan in the month of February, 2010 to avail the advantage of price competitiveness arising from CST concessions offered in the State of Rajasthan. We had acquired the premises for this unit on leasehold basis. However, subsequently, since our Company considered Silvassa as a more viable option (due to "zero percent" levy of CST), we acquired premises at Silvassa, Dadra and Nagar Haveli. All the machinery at Bhiwadi were shifted to Silvassa and our Company shut down its operations at Bhiwadi unit in July, 2010.

Takeover of the business of M/s Galvano Techniques

By an Agreement for Transfer of Business Undertaking dated July 18, 2009 between our Company and Mr. Anil Satpute (the sole proprietor of M/s Galvano Techniques), the entire business of Galvano, including the technology and goodwill was transferred to our Company. In consideration of the same, our Company allotted 8,76,837 Equity Shares of ₹ 10/- (Rupees Ten only) each to Mr. Anil Satpute at a premium of ₹ 30/- (Rupees Thirty only) amounting to ₹ 3,50,73,480/- (Rupees Three Crore Fifty Lac Seventy Three Thousand Four Hundred and Eighty only) and paid cash amounting to ₹ 4,916/- (Rupees Four Thousand Nine Hundred and Sixteen only). The assets of Galvano have been valued by Mr. Prakash B. Patil, Chartered Engineer by his Valuation Report dated July 16, 2009. Further, as per the abovementioned Agreement, Mr. Anil Satpute cannot sell the said Equity Shares till March 31, 2015.

OUR MANAGEMENT

Under the Articles of Association our Company cannot have less than 3 Directors and more than 12 Directors. Currently, our Company has 4 (four) Directors.

The following table sets forth details regarding our Board of Directors as on the date of filing of this DRHP with SEBI:

Board of Directors

Sr. No.	Name, Father's Name, Designation, Address, Occupation and DIN	Age (yrs)	Date of Appointment / Date of Cessation	Other Directorships
1.	Mr. Anand Satpute, <i>S/o Mr. Vishnu Satpute</i> <i>Executive Director and Chairman</i> Term: 5 years from May 27, 2011 Address: Plot No. 74, Natraj Co-operative, Housing Society, Karvenagar, Pune- 411 029 Occupation: Business DIN : 01715857	75	Re-appointed as whole-time Director as on May 27, 2011	Shavira Steels Private Limited. Duplex Insulations Private Limited
2.	Mr. Anil Satpute <i>S/o Mr. Anand Satpute</i> <i>Managing Director</i> Term: 5 years from May 27, 2011 Address: Plot No. 74, Natraj Co-operative, Housing Society, Karvenagar, Pune- 411 029. Occupation: Business DIN: 01726531	40	Re-appointed as a Managing Director as on May 27, 2011	Duplex Ventures Private Limited; and Shavira Steels Private Limited. Duplex Insulations Private Limited
3.	Mr. Shashikant Awati <i>S/o Mr. Vasant Awati</i> <i>Independent, Non-executive Director</i> Term: Till the next AGM Address: 24, Milap Society, Patwardhan Building, Pune – 411 004. Occupation: Business DIN: 03501518	61	Appointed as an Additional Director as on April 12, 2011	NIL
4.	Mr. Manojkumar Gupta <i>S/o Mr. Ramkishan Gupta</i> <i>Independent, Non-executive Director</i> Term: Till the next AGM Address: Flat No. 8, B-wing, Indraneel Apts, Survey No. 63/2B, Pune-Satara Road, Pune – 411 009. Occupation: Professional DIN: 02309880	45	Appointed as an Additional Director as on June 29, 2011	Vaishanavi IT Services Private Ltd.

Note: All of our directors are Indian nationals.

Our Director, Mr. Anand Satpute is the father of Mr. Anil Satpute, the Managing Director of our Company.

Our Company has not entered into any service contracts with the Directors and there are no benefits provided to the Directors upon termination their employment with our Company

None of the above mentioned Directors are on the RBI List of wilful defaulters as on the date of the DRHP.

Further, neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital market by SEBI.

None of our directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s).

None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the Bombay Stock Exchange Limited/National Stock Exchange of India Limited.

None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by the SEBI.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

Brief Profile of Directors

Mr. Anand Vishnu Satpute, aged 75 years, is the Chairman & Director of our Company. He holds a Bachelor's degree in Science from University of Pune. He has 40 years of experience in the field of copper wires especially in metal finishing on various substrates and selected 'reel to reel' electroplating on wires and strips. He is one of the Promoter Directors of our Company and is responsible for developing processes and technology for our Company.

Mr. Anil Satpute, aged 40 years, is the Managing Director of our Company. He holds a Bachelor's degree in Mechanical Engineering from University of Pune. He has over 15 years of experience in copper wire industry. He was associated with various companies engaged in the manufacture of electronic hardware components and development of computer software. He is one of the Promoter Directors of our Company and is responsible for overall functioning, operations and growth of our Company.

Mr. Shashikant Vishnu Awati, aged 61 years, is the Non-Executive and Independent Director of our company. He holds a Bachelor's degree in Civil Engineering from University of Pune, Long Term Course from Water & Land Management Institute, Aurangabad, Training course on reclamation of waterlogged soils at International Irrigation Institute, Logan, Utah State of USA and Training course on Railway Engineering and Track Laying from Indian Railways Institute of Civil Engineering, Pune. He has over 37 years of experience in the field of development of irrigation, railway and other developmental projects.

Mr. Manojkumar Gupta, aged 45 years, is the Non-Executive and Independent Director of our Company. He holds a Bachelor Degree in Commerce and is also a Chartered Accountant. He has 16 years of experience in the field of Finance and Accounts.

Borrowing Powers

Pursuant to a resolution passed by the shareholders in accordance with the provisions of section 293(1)(d) of the Companies Act, 1956, at the Registered Office of our Company held on June 7, 2011 our Board has been authorized to borrow all such sums of money by way of cash, credits, advances, deposits or other loans whether secured or unsecured by mortgage, charge, hypothecation or pledge of the Company's assets and properties, whether moveable or immoveable notwithstanding that the moneys to be borrowed by the Company, apart from temporary loans obtained from our Company's bankers in the ordinary course of business shall not exceed, a sum of ₹ 1,00,000 Lac in addition to the paid-up capital and free reserves of our Company.

Compensation to Managing Director and Whole Time Director

The annual compensation to the Managing Director of our Company, Mr. Anil Satpute is ₹ 60,00,000/- (Rupees Sixty Lac only) and to our Whole Time Director Mr. Anand Satpute is ₹ 24,00,000/- (Rupees Twenty Four Lacs Only) as per the resolution of the Board dated April 15, 2010 for the Financial Year 2010-11.

By a resolution of the Board of Directors dated June 30, 2011, our Company has resolved to pay sitting fees of ₹ 5,000/- (Rupees Five Thousand only) to its Independent and Non-executive Directors, being Mr. Manojkumar Gupta and Mr. Shashikant Awati.

The above said remuneration and perquisites are subject to the ceiling laid down in Sections 198 and 309 and Schedule XIII of the Companies Act and all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be allowed by the board of directors upon the recommendation of the Remuneration Committee and with the approval of the Central Government.

Except as stated in this DRHP, no amount or benefit has been paid by our Company within the 2 (two) preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and Key Management Personnel.

Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and our Key Management Personnel, are entitled to any benefits upon termination of employment

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. However share holding of our Directors is hereunder provided as on date: -

Sr. No.	Directors	No. of Equity shares	Percentage
1.	Mr. Anil Satpute	1,21,69,111	60.8
2.	Mr. Anand Satpute	36,444	0.18
3.	Mr. Shashikant Awati	76	0.00
TOTAL		1,22,05,631	61.02

Interest of Directors

All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meeting of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association. All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners as declared in their respective declarations. Our Managing Director and Co-Promoter, Mr. Anil Satpute is interested by way of a Trademark License Agreement dated July 21, 2011. For further details pertaining to the said Agreement, kindly refer to the chapter on “History and Other Corporate Matters” of this DRHP.

Except as stated under the heading “Related Party Transactions” under the section titled “Financial Information” on page 161 in this DRHP and in the following paragraph titled “Interest as to Property”, we have not entered into any contract, agreements or arrangements during the preceding 2 (two) years from the date of this DRHP in which the Directors 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.

Interest as to Property

A portion of land bearing Plot No. A-4 in Kurkumbh Industrial Area within the limits of Kurkumbh Chinchwad Municipal Corporation, Taluka, Haveli, District Pune was agreed to be leased out in favour of Shavira Steels Limited by MIDC *vide* an Agreement dated April 27, 1992. Such lease was to be executed on compliance with certain stipulations of MIDC. However, no such lease agreement was executed.

Further, by a tripartite agreement dated June 30, 2011 duly registered with the office of the Sub-Registrar of Assurances under No.02363 of 2011 entered into by MIDC, Shavira Steels Private Limited and our Company, it was agreed that a fresh lease would be executed from MIDC in favour of our Company, on compliance with certain stipulations. The said lease agreement remains to be executed.

Other than the above, our Directors have no interest other than in the normal course of business in any property acquired by our Company within 2 (two) years from the date of this DRHP.

Promoter Directors

2 (Two) of our Directors are the Promoters of our Company being Mr. Anand Satpute and Mr. Anil Satpute.

Changes in our Board of Directors during the last 3 (three) years

The following changes have taken place in the Board of Directors of our Company during the last 3 (three) years:

Sr. No.	Name	Date of change	Reason
1.	Mr. Shashikant Awati	April 12, 2011	Appointment
2.	Mr. Manojkumar Gupta	June 29, 2011	Appointment

Composition of the Board of Directors

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Anil Satpute	Managing Director	Executive and Non-Independent
2.	Mr. Anand Satpute	Chairman and Director	Executive and Non-Independent
3.	Mr. Shashikant Awati	Independent Director	Non-Executive and Independent
4.	Mr. Manojkumar Gupta	Independent Director	Non-Executive and Independent

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges and the SEBI Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board of Directors constituted in compliance with the Companies Act and Listing Agreement with Stock Exchanges and in accordance with best practices in corporate governance, our Board of Directors functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently our Board has 4 (four) Directors, of which the Chairman of the Board, Mr. Anand Satpute is an Executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have 2 (two) Executive and Non-Independent Directors and 2 (two) Non-executive and Independent Directors, on our Board.

I. Committees of the Board in accordance with the Listing Agreement.

(A) Audit Committee

The Audit Committee was constituted by our Board of Directors at their meeting held on June 29, 2011. The scope and functions of the Audit Committee are in accordance with section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The members of the Audit Committee are: -

1. Mr. Manojkumar Gupta – Chairman;
2. Mr. Anand Satpute - Member; and
3. Mr. Sahshikant Awati – Member.

The terms of reference of the Audit Committee include the following: -

- (i) monitoring of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements is correct, sufficient and credible;
- (ii) recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (iv) review with the management of the annual financial statements before submission to the Board for approval, with particular reference to:
- (v) matters required to be included in the Director's Responsibility Statement forming part of the Board's report in terms of clause (2AA) of Section 217 of the Companies Act;
 - a) changes, if any, in accounting policies and practices and reasons for the same;
 - b) major accounting entries involving estimates based on the exercise of judgment by management
 - c) significant adjustments made in the financial statements arising out of audit findings;
 - d) compliance with listing and other legal requirements relating to financial statements;
 - e) disclosure of any related party transactions; and

- f) qualifications in the draft audit report.
- (vi) review with the management of the quarterly financial statements before submission to the Board for approval;
- (vii) review with the management of the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (viii) review with the management of the performance of the statutory and internal auditors, and adequacy of the internal control systems;
- (ix) review the adequacy of internal audit function, if any, including the structure of the internal audit department,
- (x) staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xi) discussion with the internal auditors of any significant findings and follow up there on;
- (xii) review the findings of any internal investigations by the internal auditors into matters where there is suspected
- (xiii) fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xiv) discussion with statutory auditors before the audit commences about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
- (xv) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- (xvi) review of the functioning of the whistle blower mechanism, if any;
- (xvii) approval of appointment of CFO (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- (xviii) any other function mentioned in the terms of reference of the Audit Committee.

(B) Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee was constituted by our Board of Directors at their meeting held on June 29, 2011.

The members of the Shareholders'/Investors' Grievance Committee are:-

1. Mr. Shashikant Awati – Chairman;
2. Mr. Ani Satpute – Member; and
3. Mr. Manojkumar Gupta – Member.

The terms of reference of the Shareholders'/Investors' Grievance Committee include the following: -

- (i) efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- (ii) redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.;
- (iii) issue of duplicate / split / consolidated share certificates;
- (iv) allotment and listing of shares;
- (v) review of cases for refusal of transfer / transmission of shares and debentures;
- (vi) reference to statutory and regulatory authorities regarding investor grievances; and
- (vii) otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

(C) Remuneration Committee

The Remuneration-cum-Compensation Committee was constituted by our Board of Directors at its meeting held on June 29, 2011.

The members of Remuneration Committee are:

- 1. Mr. Shashikant Awati – Chairman;
- 2. Mr. Anand Satpute – Member; and
- 3. Mr. Manojkumar Gupta – Member.

The role of the Remuneration Committee has been defined to include the following: -

- (i) reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Executive Directors and senior executives just below the Board of Directors;
- (ii) deciding on the overall compensation policy for Non-Executive and Independent Directors;
- (iii) deciding on the increments in the remuneration of the Directors;
- (iv) assisting the Board in developing and evaluating potential candidates for senior executive positions and to oversee the development of executive succession plans;
- (v) reviewing and approving on an annual basis the corporate goals and objectives with respect to compensation for the senior executives;
- (vi) evaluating at least once a year the senior executive officer's performance in light of these established goals and objectives and based upon these evaluations shall set the senior executive officer's annual compensation, including salary, bonus and equity and non-equity incentive compensation;
- (vii) reviewing and approving on an annual basis the evaluation process and compensation structure for our Company's officers just below the level of Board of Directors;
- (viii) evaluating the performance of our Company's senior executives just below the level of Board of Directors and approving the annual compensation, including salary, bonus and equity and non-equity incentive compensation, for such senior executives, based on initial recommendations from the Managing Director;
- (ix) providing oversight of management's decisions concerning the performance and compensation of other officers of our Company;
- (x) reviewing incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk taking and reviewing and discussing, at least annually, the relationship between risk management policies and practices, corporate strategy and senior executive compensation; and
- (xi) maintaining regular contact with the leadership of our Company, including interaction with our Company's human resource department, review of data from the employee survey and regular review of the results of the annual leadership evaluation process.

(D) IPO Committee

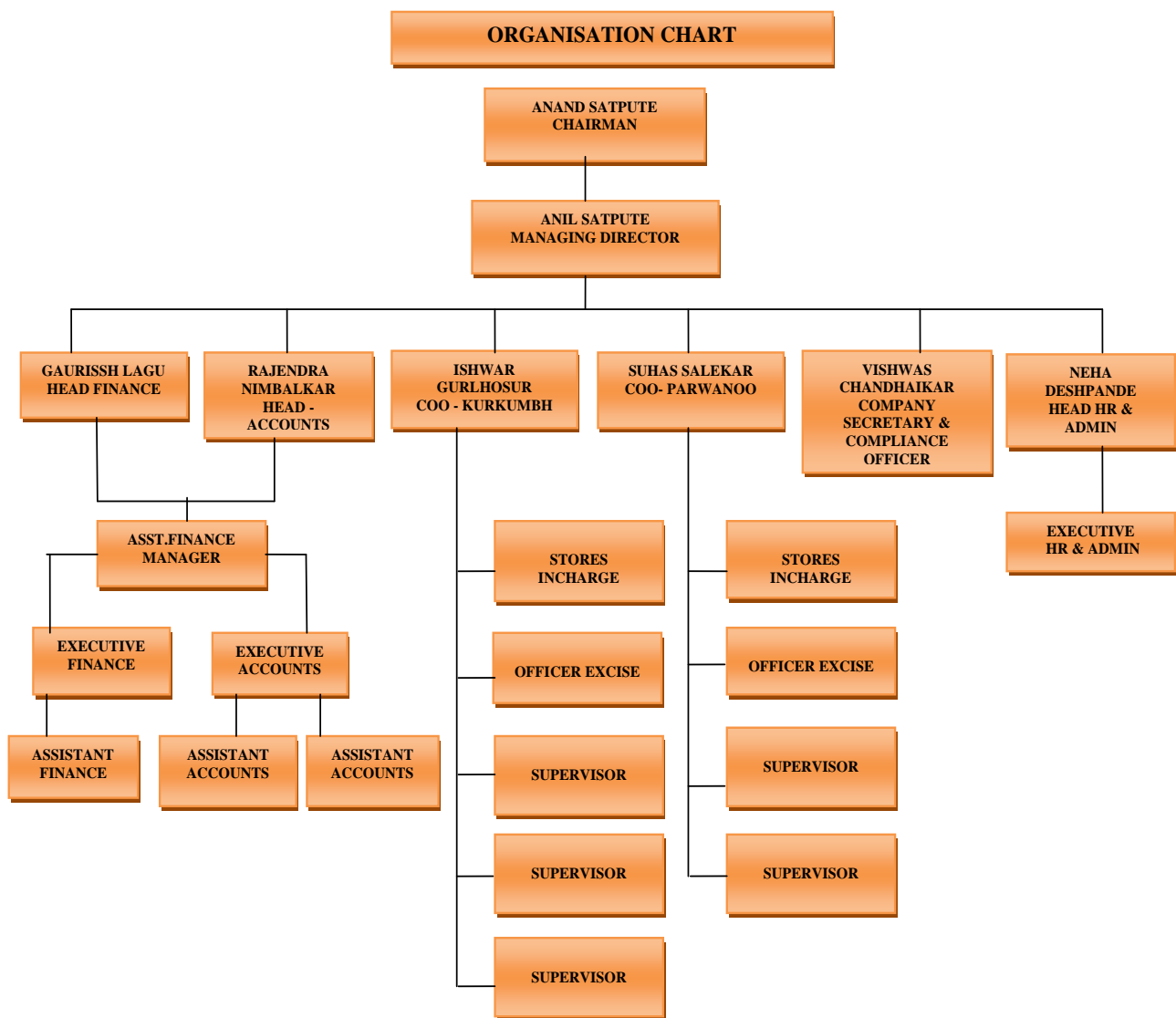
The IPO Committee was constituted by our Board of Directors at its meeting held on June 29, 2011.

The members of the IPO Committee are:

1. Mr. Anil Satpute – Chairman;
2. Mr. Manojkumar Gupta – Member; and
3. Mr. Anand Satpute – Member.

The Terms of Reference of the IPO Committee shall include the following: -

- (i) the IPO Committee has not met to decide on the actual size of the Issue, including any reservation for employees or shareholders of promoting companies or shareholders of group companies and/or any other reservations or firm allotments as may be permitted, timing, pricing and all the terms and conditions of the Issue, including the price band and the issue price, and to accept any amendments, modifications, variations or alterations thereto;
- (ii) to appoint and enter into arrangements with the Book Running Lead Managers to the Issue, Syndicate Members to the Issue, Legal Advisors to the Issue, Stabilizing Agent, Brokers to the Issue, Bankers to the Issue/ Escrow Collection Banks, Refund Banks to the Issue, Public Issue Account Banks, Registrar to the Issue, Legal Advisors to the Underwriters, International Legal Advisors, advertising and/or promotion or public relations agencies and any other agencies or persons as may be required or desirable in connection with the Issue;
- (iii) to finalize and settle and to execute and deliver or arrange the delivery of the offering documents (the DRHP, the Red Herring Prospectus, the Prospectus (including the draft international wrap and final international wrap, if required, for marketing of the Issue in jurisdictions outside India), the syndicate agreement, the underwriting agreement, the escrow agreement, stabilization agreement and all other documents, deeds, agreements and instruments as may be required or desirable in connection with the Issue;
- (iv) to open one or more separate current account(s) in such name and style as may be decided, with a scheduled bank to receive applications along with application monies in respect of the Issue of the shares of the Company;
- (v) to open one or more bank account(s) of the Company in such name and style as may be decided for the handling of refunds for the Issue;
- (vi) to make applications to the RBI, FIPB and such other authorities, as may be required, for the purpose of Issue and transfer of shares by the Company to non-resident investors including but not limited to NRIs, FIIs, FVCIs and other non-residents;
- (vii) to make applications for listing of the equity shares of the Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
- (viii) to settle all questions, difficulties or doubts that may arise in regard to the Issue or allotment of shares as it may, in its absolute discretion deem fit; and
- (ix) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, or otherwise in relation to the Issue or any matter incidental or ancillary in relation to the Issue, including without limitation, allocation and allotment of the shares as permissible in law, issue of share certificates in accordance with the relevant rules.



Key Managerial Personnel

The brief profile of the Key Managerial Personnel is given below: -

Mr. Ishwar Gurlhosur, aged 36 years, holds a Bachelors of Mechanical Engineering Degree from University of Mangalore. He has over 14 (fourteen) years of experience as Manager with a well-known Public Sector Undertaking. He has been associated with our Company since 2006. He is presently the Chief Operation Officer (COO) of Kurkumbh Plant of our Company. His annual remuneration in fiscal 2010-2011 was ₹ 12 Lac.

Mr. Suhas Shankar Salekar, aged 44 years, holds a Diploma in Printing Technology (Lithography) from the Maharashtra Institute of Printing Technology, Pune. He has over 20 (twenty) years of experience as a Supervisor with Maharashtra Sahakari Mudranalaya. He has been associated with our Company since 2006. He is presently the Chief Operation Officer of Parwanoo plant of our Company. His annual remuneration in fiscal 2010-2011 was ₹ 6.41 Lac.

Mr. Gaurish Lagu, aged 30 years, holds a Degree of Bachelors of Commerce from University of Goa. He has over 4 years of experience in the field of Accounts and Finance. He was previously employed with various companies in their Finance Department and held senior positions. He has been associated with our Company since 2009. He is presently the Finance Head of our Company. His annual remuneration in fiscal 2011 was ₹ 4.77 Lac.

Mr. Rajendra Nimbalkar, aged 48 years, holds a Bachelor of Commerce, Diploma in Labour Law and Labour Welfare from the University of Pune. He has over 26 years of experience in the field of Finance and Accounts. He was previously employed in various local and multinational companies in the Accounts Department and has held senior positions. He has been associated with our Company since 2004. He is presently the Accounts Head of our Company. His annual remuneration in fiscal 2010-2011 was ₹ 3.79 Lac.

Ms. Neha Deshpande, aged 49 years, holds a Bachelors of Arts Degree from University of Pune. She has over 23 years of experience in Human Resources & Administration. She was previously employed with various companies in the Human Resources and Administration Departments. She has been associated with our Company as a Human Resources & Administration Head since 2008. Her annual remuneration in fiscal 2010-2011 was ₹ 3.9 Lac.

Mr. Vishwas Chandhaikar, aged 25 years, holds a Bachelor of Commerce and Master of Commerce from Dr. Babasaheb Ambedkar Marathwada University. He is an Associate Member of Institute of Company Secretaries of India. He was appointed as a Company Secretary of our Company in the current year and is presently the acting Company Secretary of our Company. No remuneration was payable to him in fiscal 2010-2011 since he joined the Company on April 26, 2011.

Notes: -

1. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company;
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned personnel have been recruited;
3. Our Company does not have a performance linked bonus or a profit sharing plan with the Key Management Personnel; and
4. No non-salary-related payments or benefits have been made to our Key Management Personnel.

Shareholding of Key Managerial Personnel

None of the Key Managerial Personnel hold any shares in the Company.

Bonus or Profit Sharing plan for the Key Managerial Personnel

There is no Profit Sharing Plan for the Key Managerial Personnel.

Changes in Key Managerial Personnel during last 3 (three) years

Sr. No	Name	Date of Joining	Date of Change	Reasons for Change
1.	Mr. Neha Deshpande	September 16, 2008	September 16, 2008	Appointment
2.	Mr. Gaurissh Lagu	November 1, 2009	November 1, 2009	Appointment
3.	Mr. Vishwas Chandhaikar	April 25, 2011	April 25, 2011	Appointment

Payment or benefit to the officers on termination of their services

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

Other non-monetary benefits

Other than the non-salary related benefit to the Officers of our Company as mentioned below, our Company provides no non-monetary benefits its Key Managerial Personnel.

Employees Stock Option scheme

Currently, the Company does not have any Employees Stock Option Scheme.

Loans to Key Managerial Personnel

The Company has not extended any loans to any key managerial Personnel as on the date of filing of this DRHP.



Payment or Benefit (Non-Salary Related) to Officers of the Company

Our Company has taken on rent, premises bearing Flat HIG-60-F, Sector – 1A, Parwanoo (Himachal Pradesh) for the residential use of one of our Key Managerial Personnel being Mr. Suhas Salekar for a period of 36 (thirty six) months from the October 1, 2009. Our Company has paid the security deposit and has been regularly paying monthly rent for the said premises.

Except as stated in this DRHP, no amount or benefit has been paid or given or is intended to be paid or given during the preceding 2 (two) years to any of its officers except for the normal remuneration paid to Directors, officers or employees since the incorporation of the Company.

OUR PROMOTERS AND PROMOTER GROUP

The following are the Promoters of our Company:

<p>Mr. Anand Satpute</p> 	<p>Mr. Anand Vishnu Satpute, aged 75 years, is the Chairman & Director of our Company. He holds a Bachelor's degree in Science from University of Pune. He has 40 years of experience in the field of copper wires especially in metal finishing on various substrates and selected 'reel to reel' electroplating on wires and strips. He is one of the Promoter Directors of our Company and is responsible for developing processes and technology for our Company.</p> <p>PAN No: AFHPS4749G Passport No: E 6196748 Driving Licence: MH 12 20000068736</p>
<p>Mr. Anil Satpute</p> 	<p>Mr. Anil Satpute, aged 40 years, is the Managing Director of our Company. He holds a Bachelor's degree in Mechanical Engineering from University of Pune. He has over 15 years of experience in copper wire industry. He was associated with various companies engaged in the manufacture of electronic hardware components and development of computer software. He is one of the Promoter Directors of our Company and is responsible for overall functioning, operations and growth of our Company.</p> <p>PAN No: ACEPS8365E Passport No: Z 1724487 Driving Licence: MH 12 20050602738</p>

We confirm that the permanent account number, bank account details and passport number of our promoter has been submitted to BSE and NSE, at the time of filing the DRHP with them.

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

Currently, Mr. Anand Satpute holds 0.18%, and Mr. Anil Satpute holds 60.80% of our pre-Issue equity share capital. For details of the build-up of our Promoters' shareholding in our Company, see "Capital Structure" on page 52.

PROMOTER GROUP

(i) Natural Persons

a) Mr. Anand Satpute

The following natural persons form part of our Promoter Group as relative of Mr. Anand Satpute

Name	Relationship
Mrs. Usha Satpute	Wife (demised)
Mr. Vishnu Satpute	Father
Mrs. Kamala Vishnu Satpute	Mother
Mr. Dnyaneshwar Satpute	Brother
Mrs. Shrikirshna Satpute	Brother
Mr. Anil Satpute	Son
Mrs. Anagha Deshmukh	Daughter
Mrs. Anita Salekar	Daughter
Mr. Avinash Kulkarni	Wife's brother
Mrs. Alka Kulkarni	Wife's sister
Mrs. Nirmala Kshirsagar	Wife's sister
Mr. Moreshwar Kulkarni	Wife's father
Mrs. Usha Kulkarni	Wife's mother

b) Mr. Anil Satpute

The following natural persons form part of our Promoter Group as relative of Mr. Anil Satpute

Name	Relationship
Mrs. Kanchan Satpute	Wife
Mr. Anand Satpute	Father
Mrs. Usha Satpute	Mother (demised)
Mrs. Anagha Deshmukh	Sister
Mrs. Anita Salekar	Sister
Ms. Nisha Satpute	Daughter
Ms. Saachi Satpute	Daughter
Mrs. Priyanka Prabhudesai	Wife's sister
Mrs. Tejashree Sardesai	Wife's sister
Mrs. Ranjana Kulkarni	Wife's sister (demised)
Mrs. Kshama Wagh	Wife's sister
Mr. Rajendra Desai	Wife's father
Mrs. Shubhada Desai	Wife's mother (demised)

(ii) Body Corporate

The body corporate forming part of our Promoter Group:-

1. Duplex Insulations Private Limited;
2. Nishad Audio Visuals Private Limited;
3. Duplex Ventures Private Limited;
4. Shavira Steels Private Limited.

Interest of Promoters

Our Promoter Directors may be deemed to be interested to the extent of Equity Shares held by them and also to the extent of any dividend payable to him and other distributions in respect of the said Equity Shares. Further, our Managing Director and Co-Promoter, Mr. Anil Satpute is interested by way of a Trademark License Agreement dated July 21, 2011. For further details pertaining to the said Agreement, kindly refer to the chapter on “History and Other Corporate Matters” of this DRHP.

We have not entered into any other contract, agreements or arrangements during the preceding 2 (two) years from the date of this DRHP in which the Promoters are directly or indirectly interested including the properties purchased by our company other than in the normal course of business. Further no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Further, our Promoters are also directors on the boards of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Promoter Group entities. *For the payments that are made by our Company to certain Promoter Group entities, see “Related Party Disclosures” beginning on page 195 of this DRHP.*

Related Party Transactions

For details on related party transactions refer to Related Party Transaction on page 195 of this DRHP.

OUR GROUP COMPANIES

Save and except as stated in this section of the DRHP, there are no companies, firms, ventures, etc. promoted by our Promoters except as follows:

A. Companies promoted by the Promoters (Group Companies)

1. Duplex Insulations Private Limited;
2. Duplex Ventures Private Limited; and
3. Shavira Steels Private Limited.

B. Other Entities

NIL

The following are the details of the group companies/ firms and other ventures under the same management: -

1. Duplex Insulations Private Limited

Duplex Insulations Private Limited (“**Duplex Insulations**”) was incorporated on June 12, 1998 as a private limited company in Pune having its registered office at Shop No. 3 Rangali Co-operative Housing Society, Kothrud, Pune, Maharashtra-411029, India.

Duplex Insulations was incorporated with the object of carrying on the business of buying, selling, importing, manufacturing or dealing in copper, brass, aluminium, ferrous and non-ferrous, annealed, unannealed, plated, coated, insulated, armoured, unarmoured, sheathed, non-sheathed, multicore plastic coated and/or bare wires and cables.

The authorised share capital of Duplex Insulations Private Limited is ₹ 1,00,000 divided into 10,000 equity shares of face value ₹ 10 each and the paid up capital is ₹ 1,00,000 divided into 10,000 equity shares of face value of ₹ 10 each.

Financial information: -

Particulars	FY 2009	FY 2010	FY 2011
Reserves	NIL	NIL	*
Net Asset Value per share(₹)	10	10	*

**The Annual Accounts for the Financial Year ended March 31, 2011 have not been prepared*

Interest of our Promoters: -

Sr. No.	Name of Share Holder	No. Of Shares held	% of Share Holding
1.	Mr. Anand Satpute	5,000	50.00
2.	Mr. Anil Satpute	5,000	50.00
Total		10,000	100.00

Duplex Insulations Private Limited was not conducting any business and was defunct. Therefore, an application was made to the Registrar of Companies, Pune on June 1, 2010 for striking off the name of Duplex Insulations Private Limited from the records of the Registrar of Companies under Section 560 of the Companies Act, 1956. The said application has been approved by the ROC and the same is in under process of striking off.

2. Duplex Ventures Private Limited

Duplex Ventures Private Limited (“**Duplex Ventures**”) was incorporated on January 3, 2011 as a private limited company in Mumbai with the name of Windcraft Informatics Private Limited having its registered office at B-307, Nariman Apartment, Andheri (East), Mumbai – 400 093.

Duplex Ventures carries on the business of providing consultancy services in Venture Capital arrangements, financial matters such as debt, equity syndication, act as direct sales agent of financial companies and financial institutions and as consultants, advisors for venture capitalists, in India or any part of the world, in the fields of management, financial, Information Technology, industrial insurance, capital market, educational entertainment, Business Processing Outsourcing, legal Process Outsourcing and all kinds of outsourcing industry, investment, issue management, marketing or foreign exchange, Import and Export.

The authorised share capital of Duplex Ventures Private Limited is ₹ 1,00,000 divided into 10,000 equity shares of face value ₹ 10 each and the paid up capital is ₹ 1,00,000 divided into 10,000 equity shares of face value of ₹ 10 each.

Financial information: -

Particulars	FY 2011
Reserves	NIL
Net Asset Value per share(₹)	10/-

Interest of our Promoters: -

Sr. No.	Name of Share Holder	No. Of Shares held	% of Share Holding
1.	Mrs. Kanchan Satpute	5,000	50
2.	Mr. Anil Satpute	5,000	50
TOTAL		10,000	100

3. Shavira Steel Private Limited

Shavira Steels Private Limited (“**Shavira**”) was incorporated on December 5, 1991 as a private limited company in Pune having its registered office at 293, Narayan Peth, Pune – 411 030.

Shavira carries on the business of steel furnaces and continuous casting and rolling mill plant for producing hot rolled mild steels, steel and alloy steel ingots, steel and alloy steel billets and all kinds and sizes of re-rolled section i.e., flats, angles, round, T-iron, squares, hexagons, octagons, rails, joists, channels, steel strips, sheets, plates, deformed bars, plain and cold twisted bars, bright bars, shafting and steel structurals.

Financial information: -

Particulars	FY 2009	FY 2010	FY 2011
Reserves	NIL	NIL	NIL
Net Asset Value per share (₹)	100	100	100

The authorised share capital of Shavira Steels Private Limited is ₹ 5,00,000 divided into 5,000 equity shares of face value ₹100 each and the paid up capital is ₹ 4,43,000 divided into 4,430 equity shares of face value of ₹ 100 each.

Interest of our Promoters: -

Sr. No.	Name of Share Holder	No. Of Shares held	% of Share Holding
1.	Mr. Anand Satpute	2,215	50
2.	Mr. Anil Satpute	2,215	50
TOTAL		4,430	100

Other disclosures:

The equity shares of our Group Companies are not listed on any of the Stock Exchanges and they have not made any public/rights issue in last 5 (five) years. Further, no action has been taken against these companies by any Stock Exchange or SEBI.

None of our group companies are sick companies within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and are not under the Board for Industrial and Financial Reconstruction. Further, they are not under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against our Group Companies.

Companies with negative net worth

None of our Group Companies have negative Net Worth on date of end of the respective financial years audited and mentioned herein.

Defunct Group Companies

Duplex Insulations Private Limited was not conducting any business and was defunct. Therefore, an application was made to the Registrar of Companies, Pune on June 1, 2010 for striking off the name of Duplex Insulation Private Limited from the records of the Registrar of Companies under section 560 of the Companies Act, 1956. The said application has been approved by the said RoC and the same is under process of striking off.

Nature and Extent of Interest of Group Companies

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 (two) years before filing the DRHP with SEBI

Other than Shavira Steels Private Limited, none of our Group Companies have any interest in the properties acquired by our Company in the past 2 (two) years before filing the DRHP with SEBI or properties proposed to be acquired by our Company. *For details, please refer the section titled “Our Management” appearing on page 141*

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see the section titled “Related Party Transactions” on page 195.

Sale/Purchase between Group and Promoter Companies

For details, please see the section titled “Related Party Transactions” on page 195.

Companies with which the Promoters have disassociated in the last 3 (three) years

Mr. Anil Satpute was appointed as Director of Nishad Audio Visuals Private Limited on December 20, 2010. He resigned on March 25, 2011 due to his pre-occupation.

Change in Accounting Policies in the last 3 (three) years

There has been no change in accounting policies in the last 3 (three) years except as stated in the chapter titled “Financial Information” beginning on page 161 of this DRHP.

Payment of Amount or Benefits to our Group Companies during the last 2 (two) Years

Except as mentioned in “Related Party Transaction” on page 195 of the DRHP, no amount or benefits were paid or were intended to be paid to our Group Companies during the last 2 (two) years from the date of filing of this DRHP.

CURRENCY OF PRESENTATION

In this DRHP, unless the context otherwise requires, all references to the word “Lakh” or “Lac” or “Lacs”, means “One hundred thousand” and the word “million” means “Ten Lacs” and the word “Crore” means “ten million” and the word “billion” means “One thousand million” and the word “trillion” means “One thousand billion”. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding off.

Throughout this DRHP, all the figures have been expressed in Lacs of Rupees, except when stated otherwise. All references to “Rupees” and “Rs.” And “₹” in this DRHP are to the legal currency of India. All references to “US\$”, “USD” or “US Dollars” are to United States Dollars, the official currency of the United States of America. All references to “SGD” or “SG\$” are to Singapore Dollars, the official currency of Singapore.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial position. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects.

No dividend has been declared by our Company during the past 3 (three) years.

SECTION VII - FINANCIAL INFORMATION

AUDITORS' REPORT AND FINANCIAL INFORMATION OF OUR COMPANY

Auditor's Report on Restated Financial Information

Board of Directors

Duplex Industries Limited

CTS No- 712/A, S. No. 140, Flat No-2,

Prachi Residency, Bhelkenagar,

Kothrud, Pune – 411038.

Dear Sirs,

- 1) We have examined the attached financial information of Duplex Industries Limited (hereinafter referred to as 'the Company') as approved by Board of Directors of the Company, prepared in term of the requirements of Paragraph B (1) of Part II of the Companies Act, 1956 ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 15th June' 2011 in connection with the proposed Initial Public Offer of equity shares of the Company.
- 2) This information have been extracted by the Management of the Company from the audited financial statements of the Company for the financial year ended on 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010, audited by M/s Kishor B. Phadke and Co., and for the financial year ended on 31st March 2011, audited by Avinash Jeevan Utgikar. Accordingly reliance has been placed on the audited financial statements for the said years for the purpose of the restated financial information.
- 3) We have also examined the restated financial information of the Company for the above years prepared and approved by the Board of Directors for the purpose of disclosure in the offer document of the Company. The financial information for the above years was examined to the extent practicable, for the purpose of audit of financial information in accordance with the Auditing and Assurance Standards issued by the Institute of Chartered Accountants of India. Those Standards required that we plan and perform our audit to obtain reasonable assurance, whether the financial information under examination is free of material misstatement.
- 4) We report that:
 - a) The Restated Statement of Assets and Liabilities of the Company for the year ended on 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010, 31st March 2011 are as set out in Annexure-1 to this report are after making adjustments/restatements and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Financial Information as set out in Annexure-4 & 5 to this report.
 - b) The Restated Statement of Profits and Losses of the Company for the year ended on 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010, 31st March 2011 are as set out in Annexure-2 to this report are after making adjustments/restatements and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes to the Restated Financial Information as set out in Annexure-4 & 5 to this report.
 - c) The Statement of Cash Flow, as restated of the Company for the years ended 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010, 31st March 2011 as set out in Annexure 3 to this report read with the significant accounting policies in Annexure 4 & 5 to this report, are after making such adjustments and regrouping as in our opinion were appropriate.

- 5) We have examined the following financial information relating to the Company for the year ended on 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010, 31st March 2011 proposed to be included in the offer document, as prepared and approved by the Board of Directors and annexed to this report:
- a) Statement of Accounting Policies as appearing in Annexure 4 to this report.
 - b) Statement of Significant notes to restate financial statements as appearing in Annexure 5 to this report.
 - c) Statement of changes in Accounting Policies as appearing in Annexure 6 to this report.
 - d) Details of contingent liabilities as appearing in Annexure 7 to this report.
 - e) Statement of dividend declared/ distributed as Annexure 8 to this report.
 - f) Statement of Break-up of other income as appearing in Annexure 9 to this report.
 - g) Statement of Accounting Ratios as appearing in Annexure 10 to this report.
 - h) Capitalization Statement as appearing in Annexure 11 to this report.
 - i) Statement showing age wise analysis of Sundry Debtors enclosed as Annexure 12 to this report.
 - j) Statement of Loans and Advances as appearing in Annexure 13 to this report.
 - k) Statement of Secured and Unsecured Loans as appearing in Annexure 14 to this report.
 - l) Statement of Reserves and Surplus in Annexure 15 to this report.
 - m) Statement of Fixed Assets in Annexure 16 to this report.
 - n) Statement of tax shelter as appearing in Annexure 17 to this report; and
 - o) Statement of Related Party transactions enclosed as Annexure 18 to this report.
 - p) Statement of Capital Work In Progress as Annexure 19 to this report
- 6) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us.
- 7) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 8) In our opinion, the above financial information contained in Annexure 1 to 17 of this report read along with the significant accounting policies Refer Annexure 4 and notes to the Restated and regrouping Statements Refer Annexure 5 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Paragraph B, Part II of Schedule II of the Act and the SEBI Regulations.
- 9) Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed issue of Equity Shares of the Company. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For Laxmikant Kabra & Co.,
Firm Registration No: 117183W
Chartered Accountants

Laxmikant Kabra
(Proprietor)
Membership No. : 101839

Place: Thane
Date: 18th July, 2011

Annexure I

Restated Summary Statement of Assets and Liabilities**(Rupees in Lacs)**

Particulars	31/03/2011	31/03/2010	31/03/2009	31/03/2008	31/03/2007
<u>Fixed Assets</u>					
Gross Block	1896.45	919.16	500.54	424.99	324.87
Less: Depreciation	596.24	376.32	205.69	157.25	124.64
Net Block	1300.21	542.84	294.84	267.74	200.22
Capital WIP	278.26	29.38	0.00	0.00	0.00
Total (A)	1578.47	572.22	294.84	267.74	200.22
Investments (B)	170.10	20.10	17.10	7.05	2.00
<u>Current Assets, Loans & Advances</u>					
Inventory	4896.38	1755.64	1238.69	1336.89	297.66
Sundry Debtors	21011.38	6866.18	7754.25	1513.51	962.85
Cash and Bank Balances	779.46	550.33	75.57	23.07	11.36
Loans and Advances	4494.47	2011.38	823.19	586.75	323.03
Total (C)	31181.69	11183.54	9891.69	3460.22	1594.89
Total Assets (A+B+C) = D	32930.26	11775.86	10203.64	3735.01	1797.12
<u>Liabilities and Provisions</u>					
Current Liabilities	14270.00	4384.73	5374.95	1361.71	958.02
Provisions	981.18	226.91	223.11	60.00	24.64
Secured Loans	7981.86	3344.97	2005.19	899.31	500.00
Unsecured Loans	2678.37	172.84	632.26	754.80	242.01
Deferred Tax Liabilities	92.81	13.34	14.46	16.99	8.64
Total (E)	26004.22	8142.80	8249.97	3092.82	1733.31
Net Worth (D-E)	6926.04	3633.06	1953.67	642.19	63.81
<u>Net Worth represented by</u>					
Equity Share Capital	2000.00	862.19	693.26	233.51	28.51
Reserve and Surplus					
Securities Premium Account	0.00	506.80	0.00	0.00	0.00
General Reserve	0.00			0.00	0.00
Profit & Loss account	4926.04	2264.07	1260.41	408.68	35.30
Sub-Total	6926.04	3633.06	1953.67	642.19	63.81
Less: Miscellaneous Expenditure	0.00	0.00	0.00	0.00	0.00
<i>(to the extent not written off or adjusted)</i>					
Net Worth	6926.04	3633.06	1953.67	642.19	63.81

Notes: The above statement should be read with the Notes on Adjustments to Restated Financial Statements, Significant Accounting policies and Notes to Accounts as appearing in Annexures 4 and 5.

Restated Summary Statement of Profits and Losses**(Rupees in Lacs)**

Particulars	For the Financial Year Ended				
	31 st March, 2011	31 st March, 2010	31 st March, 2009	31 st March, 2008	31 st March, 2007
<u>INCOME</u>					
-					
Sale of Products manufactured by the Company	54,695.47	28,069.85	22,959.74	10,207.73	5,861.11
Sale of Products traded by the Company	5,633.75	2,352.66	-	-	-
Other Income	762.13	70.41	5.07	16.58	(0.92)
Increase or Decrease in Stock of Finished Goods	3,507.24	(9.29)	42.64	(4.59)	5.32
Total	64,598.59	30,483.64	23,007.46	10,219.73	5,865.51
<u>EXPENDITURE</u>					
-	-	-	-	-	-
Raw Material Consumed	52,673.50	25,081.06	20,456.70	9,178.14	5,088.09
Cost of products traded by the Company	5,435.96	2,315.25	-	-	-
Manufacturing Expenses	476.15	200.64	390.59	171.78	139.00
Payment to Employees	102.28	72.30	63.11	42.47	23.01
Administrative & Selling Expenses	650.92	754.86	453.01	253.30	137.63
Finance Expenses	1,130.88	647.41	521.18	110.79	215.85
Depreciation	219.93	170.52	48.44	32.61	13.02
Total	60,689.62	29,242.04	21,933.02	9,789.09	5,616.60
Adjusted Profit before tax	3,908.97	1,241.60	1,074.44	430.64	248.91
<u>Provision for Tax</u>					
Current	801.17	226.92	223.11	60.00	24.64
Deferred Tax Liability \ (Asset)	79.47	(1.12)	(2.53)	8.36	8.64
Mat Credit Receivable (Entitlement /used)	-	12.15	-	(12.15)	-
Fringe Benefit Paid	-	-	2.13	1.04	1.00
Profit after Tax	3,028.34	1,003.66	851.72	373.38	214.63

Restated Statement of Cash Flows**(Rupees in Lacs)**

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Cash flows from Operating Activities					
Net profit before taxation, and extraordinary item	3,908.97	1,241.60	1,074.44	430.64	248.91
<u>Adjustments for:</u>	-	-	-	-	-
Depreciation	219.93	170.52	48.44	32.61	13.02
Interest expenses	805.88	419.91	391.19	91.15	196.83
Operating Profit before Working Capital Changes	4,934.78	1,832.03	1,514.07	554.40	458.76
Decrease / (Increase) in sundry debtors	(14,145.20)	888.07	(6,240.74)	(550.66)	(717.85)
Decrease / (Increase) in inventories	(3,140.74)	(516.95)	98.20	(1,039.23)	(46.91)
Decrease / (Increase) in loans and advances	(1,878.43)	(1,054.04)	(181.44)	(251.58)	(245.41)
Increase / (Decrease) in current liabilities & provisions	9,885.27	(990.37)	4,013.25	403.68	746.06
Cash Generated from Operations	(4,344.32)	158.74	(796.66)	(883.39)	194.66
Income taxes paid	651.56	369.42	117.13	25.68	1.00
Cash flow before extraordinary item	(4,995.87)	(210.68)	(913.79)	(909.07)	193.66
Extra Ordinary Items	-	-	-	-	-
Net Cash from Operating Activities	(4,995.87)	(210.68)	(913.79)	(909.07)	193.66
Cash flows from Investing Activities					
Purchase of Fixed Assets	(1,226.40)	(447.74)	(75.55)	(100.13)	(137.76)
Sale of Fixed Assets	0.22	-	-	-	-
(Increase) in Investments	(150.00)	(3.00)	(10.05)	(5.05)	-
Net cash from Investing Activities	(1,376.18)	(450.74)	(85.60)	(105.18)	(137.76)
Cash flows from Financing Activities					
Proceeds from Issue of Share Capital	37.81	168.93	459.75	205.00	-
Share Premium of Issue of Share Capital	226.84	506.80	-	-	-
Increase/(Decrease) in unsecured loans (Short term)	-	-	-	-	-
Increase/(Decrease) in unsecured loans (Long Term)	2,505.53	(459.41)	(122.55)	512.80	78.63
Increase/(Decrease) in secured loans	4,636.89	1,339.78	1,105.88	399.31	53.06
Preliminary Expenditure	-	-	-	-	-
Interest paid	(805.88)	(419.91)	(391.19)	(91.15)	(196.83)
Dividend paid and tax on it	-	-	-	-	-
Net cash used in Financing Activities	6,601.18	1,136.19	1,051.89	1,025.96	(65.14)
Net increase in Cash and Cash Equivalents	229.13	474.77	52.50	11.71	(9.24)
Add : Cash and cash equivalents at beginning of period	550.33	75.57	23.07	11.36	20.59
Cash and Cash Equivalents at end of Period	779.46	550.33	75.57	23.07	11.36

A. SIGNIFICANT ACCOUNTING POLICIES**1. Basis of accounting:**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles [GAAP]. The financial statements have been prepared in conformity with GAAP in compliance with all material aspects with the provisions of the Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standards) rules, 2006 prescribed by the Central Government. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires that the management of the Company makes estimates and disclosure relating to contingent liabilities on the date of the financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Examples of such estimates include the useful lives of tangible and intangible fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc.

Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

2. Fixed Assets:

Fixed Assets are stated at cost of acquisition (net of CENVAT Credit availed) less depreciation and impairment loss if any, except for free hold land which is carried at cost.

Intangible assets are recognized when the asset is identifiable, is within the control of the Company, it is probable that, the future economic benefits attributable to the asset can be reliably measured.

Cost of acquisition includes expenses (including non cenvatable duties and taxes) attributable in bringing the fixed assets to its working condition.

3. Foreign Currency Transactions:

Foreign currency transactions denominated in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction. Exchange differences, if any, arising out transactions settled during the year are recognized in the profit & loss account.

Monetary items denominated in foreign currency as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognized in profit & loss account. Non monetary foreign currency items are carried at cost.

The premium in respect of forward exchange contract is amortized over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in profit & loss account in the reporting period.

4. Inventories:

Stock of Raw Materials, Finished Goods, and Work in Progress, Packing Material, Stores & Consumables and Goods in transit are valued at cost or net realizable value whichever is less. However, materials & other items held for in the use of production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated cost of completion & selling expenses. Cost is arrived at on FIFO basis.

5. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales of Product:-

Revenue (Income) from sales of product is recognized when risk and rewards of ownership are passed on to the customers, which generally coincides with physical dispatch of goods. Sales are stated on net basis i.e. exclusive of Sales Tax and Excise Duty.

Sales includes income on account of consignment Sales

High Seas sales are recorded as and when the agreements are entered into amongst the parties which coincide with transfer of goods.

Interest:-

Interest income is recognized on time accrual basis.

Other items of revenue are recognized in accordance with the accounting standard (AS-9) issued by Institute of Chartered Accountants of India and accordingly, where there are uncertainties in ascertainment of realization of income, is not accounted for

6. Investments

Investments that are readily realisable and intended to be held for not more than one year from the date of investment are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at the lower of cost and realisable value, determined on an individual investment basis. Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately in respect of each category of investment.

7. Depreciation:

Depreciation on fixed assets is provided on Written Down Value (WDV) method at the rates and in the manner specified under Schedule XIV to the Companies Act, 1956. Depreciation on Fixed Assets added / disposed off during the year has been provided on pro-rata basis with reference to the date of addition / disposal.

Depreciation on technical know-how has been depreciated over three years, in accordance with useful economic life as ascertained by the management. Schedule XIV to the Companies Act, 1956 does not provide for rate of depreciation on intangible assets. Therefore, corresponding rate as specified under Schedule XIV to the Companies Act, 1956 has not been reproduced.

8. Retirement and other employee Benefits:

Provident Fund & Family Pension Fund

The Company contributes towards Provident Fund, Family Pension fund which are defined under the relevant contribution schemes, under the relevant recognized law. Contribution expenses are recognized as an expense in the Profit and loss account in the year in which the contribution is due.

Gratuity & Leave Encashment:-

With respect to gratuity liability, Company contributes to Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy . the company thus get the said valuation done from LIC on actuarial basis.

Company has a policy for calculating and recording Leave Encashment in accordance with terms and conditions entered into with employees and are provided for as a liability on the basis of employee compensation rates existing at the Balance sheet date.

9. Taxes on Income.

Income-tax comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

MAT Credit entitlement is being accounted as MAT Credit receivable in the year of occurrence.

Deferred tax is recognised on timing differences between the incomes accounted in financial statements and the taxable income for the year, and quantified using the tax rates and laws enacted on substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that they will be realised in future; however, where there is unabsorbed depreciation and carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

10. Impairment of assets

In accordance with Accounting Standard 28 – Impairment of Assets (AS 28), the carrying amounts of the Company's assets including intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indications exist, the asset's recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is assessed at the recoverable amount subject to a maximum of depreciable historical cost.

11. Provisions and Contingent Liabilities:

Provision is recognized in the Balance sheet when, the Company has a present obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. A disclosure by way of 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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

12. Borrowing Cost

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Annexure 5

B) SIGNIFICANT NOTES TO RESTATED FINANCIAL STATEMENTS:

1. The value of the closing stock of raw materials, work in process and finished goods has been arrived at on the basis of the records maintained and certified by the Management.
2. In the opinion of the board, the current assets (except stock of raw material, work in process and finished goods), loans and advances are approximately of the value stated , if realized, in the ordinary course of business.
3. The Company has not made any provision in its books on account of gratuity for FY 2006-2007 & 2007-2008. The Company has made cumulative provision in its books on account of gratuity for FY 2008-2009 & 2009-2010 in accordance with terms and conditions entered into with Employees. For FY 2010-11 the Company has appointed Life Insurance Corporation to make actuarial valuation of the liability on account of gratuity payable by the Company .The actuary has made cumulative requirement of providing Rs. 6.55 Lacs towards gratuity payment. Accordingly, the balance of cumulative provision required upto the period March 31, 2011 of Rs. 2.51 lacs has been charged off in the accounts for the financial year ended March 31, 2011. In the absence of the year wise data the provisions, if any, required to be made in the accounts as on March 31, 2007; March 31, 2008 ; March 31, 2009 and March 31,2010 has not been separately identified and provided in the respective year(s).

4. STATEMENT OF ADJUSTMENTS IN PROFIT & LOSS ACCOUNTS

Particulars	For the Financial Year Ended				
	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Profits after tax as per audited financial statements	3,137.41	935.93	858.88	349.74	207.91
<u>Adjustment on account of:</u>					
Interest on Income Tax	-	(13.11)	13.11	-	-
Current Tax Impact	30.36	18.13	-	(15.00)	(15.36)
Deferred Tax Impact	78.71	(84.90)	(5.95)	3.50	8.64
Mat Credit Receivable	-	12.15	-	(12.15)	-
Profits after tax as per restated audited financial statements	3,028.34	1,003.66	851.72	373.38	214.63

Notes to above adjustments:

- a) The profit & loss account of certain years include amount paid \ provided for or refunded in respect of short\excess income tax arising out of assessment and on account of short \excess provision of tax of earlier years. The impact on account such short \excess income tax has been adjusted in respective years.
- b) The Income tax assessment for the Assessment year 2008-09 was completed. and carry forward of MAT Credit of AY 2008-09 as claimed in AY 2010-11 of Rs. 2594313 was reduced to Rs. 12,14,578 which has effect of increase in liability for Assessment year 2010-11 to the tune of Rs. 1813358 , which has been provided for.

5. Material Regroupings

- a) In the Audited accounts for the year 2010-11, the Company has reported income from consignment sales as 'Other income' but for the earlier years ie FY 2006-07, 2007-08, 2008-09, 2009-10 the same was

- included under the head 'Sales' in the profit & Loss Account . In the restated financials the same are regrouped for meaningful comparison and better understanding
- b) In the Audited accounts for the FY 2008-09, 2009-10, 2010-11, the Company has included inter unit sales and purchases under 'Sales' and 'Cost of Goods sold' respectively , In the restated financials the same are deducted from 'Sales' and 'Cost of Goods sold' respectively.
- c) In the Audited accounts for the FY 2009-10, 2010-11, the Company has included Trading Sales & Cost of Traded goods sold under the heads 'Sales ' and 'Cost of Goods sold' respectively , In the restated financials the same are deducted from 'Sales' and 'Cost of Goods sold' respectively and shown separately
- d) In the Audited accounts for the FY 2006-07 the Company has included clearing and forwarding charges under the head 'Cost of goods sold', In the restated financials the same is deducted from 'Cost of Goods sold' and shown under the head 'Manufacturing Expenses'.

COST OF GOODS TRADED					
Year ended on	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Cost of Goods Sold as per audited Accounts	61,452.38	27,556.04	21,418.00	9,178.14	5,159.73
Less: Inter unit Purchases	3,342.92	159.73	961.30	-	-
Less : Cost of Goods Traded	5,435.96	2,315.25	-	-	-
Less : Clearing & Forwarding Charges	-	-	-	-	71.64
Cost of Goods sold as per Restated Accounts	52,673.50	25,081.06	20,456.70	9,178.14	5,088.09
SALES					
Year ended on	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Sales as per audited Accounts	63,591.72	30,582.25	23,921.04	10,207.73	5,861.11
Less: Sales of Traded goods	5633.75	2352.66			
Less : Income on Consignment Sales	-	149.41	28.12	32.49	20.78
Sub Total	57957.97	28080.17	23,892.92	10,175.24	5,840.33
Less: Inter unit Sales	3,342.92	159.73	961.30	-	-
Add: Income on Consignment Sales	80.43	149.41	28.12	32.49	20.78
Sales as per Restated Accounts	54695.47	28069.85	22,959.74	10,207.73	5,861.11
Other Income					
Year ended on	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Other Income as per audited Accounts	842.56	70.41	5.07	16.58	(0.92)
Less: Income on Consignment Sales	80.43	-	-	-	-
Other Income as per Restated Accounts	762.13	70.41	5.07	16.58	(0.92)

6. Deffered Tax Liability for Restated Accounts

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
On account of Difference in Book & Tax Depreciation					
Tax Rate	33.99%	33.99%	33.99%	33.99%	33.66%
Opening Balance	13.34	14.46	16.99	8.64	-
Add : For the Current year	79.47	(1.12)	(2.53)	8.36	8.64
Closing Balance	92.81	13.34	14.46	16.99	8.64

7. Sales Tax Deferment

As per the package incentive scheme of the government of Maharashtra, the Kurkumbh division was entitled to defer the payment of sales tax collected from customers from 1st April 1977 but up to 31st march 2004. The said deferment is payable to government.

STATEMENT OF SALES TAX DEFEREMENT**(Rupees in Lacs)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
F.Y. 1998-1999	-	-	-	3.08	3.08
F.Y. 1999-2000	12.43	15.54	8.26	8.26	8.26
F.Y. 2000-2001	14.57	14.57	14.31	14.31	14.31
F.Y. 2001-2002	15.50	15.50	16.57	16.57	16.57
F.Y. 2002-2003	17.85	17.85	13.23	13.23	13.23
F.Y. 2003-2004	-	-	1.95	1.95	1.95
Total	60.36	63.47	54.32	57.40	57.40

The difference in the previous year's figures and current year's figures is due to receipt of final assessment order from sales tax department.

8. STATEMENT REMUNERATION TO PROMOTERS / DIRECTORS**(Rupees in Lacs)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
Salary & Allowances	84.00	111.00	86.00	36.00	31.04
Total	84.00	111.00	86.00	36.00	31.04

9. STATEMENT AUDITORS REMUNERATION**(Rupees in Lacs)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
Audit Fees	3.50	2.50	2.50	1.50	0.75
Tax Audit Fees	0.88	0.75	0.75	0.50	0.10
Other Services (Including Out of Pocket Exp.	0.10	0.85	0.85	0.10	0.08
Total	4.48	4.10	4.10	2.10	0.93

10. STATEMENT LEASE PAYMENTS**Operating Lease**

The company has entered into operating lease arrangements for office space and residential premises for its employees. All lease arrangements provide for cancellation by either party and also contain a clause for renewal of the lease agreement. Lease payment on cancelable and non cancelable operating lease arrangements debited to profit & loss account are summarise below.

(Rupees in Lacs)					
Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
Cancelable Leases	17.75	14.28	11.21	5.13	-
Non Cancelable Leases	-	-	-	-	-
Total	17.75	14.28	11.21	5.13	-

As there is nil amount of non cancelable operating leases, disclosure relating to future minimum lease payments is not applicable

11. STATEMENT CIF VALUE OF IMPORTS**(Rupees in Lacs)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
CIF value of Imports	21,054.03	4,085.13	15,644.79	7,085.19	5,093.02

12. STATEMENT FOREIGN EXCHANGE EARNINGS**(Rupees in Lacs)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
FOB Value of Exports	35,756.87	8,464.59	8,196.05	3,263.59	815.37

13. STATEMENT FOREIGN EXCHANGE EXPENDITURE**(Rupees in Lacs)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
Traveling Exp.	3.32	0.43	4.63	-	-
Professional Charges	-	9.34	-	-	-
Bank Charges	-	3.13	5.10	-	-
Total	3.32	22.90	9.74	-	-

14. STATEMENT OF CAPACITY UTILISATION**(In Metric Tonnes)**

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
Installed Capacity	25,200	12,800	9,600	6,000	6,000
Utilised Capacity	10,126	8,450	7,583	2,840	1,450

15. STATEMENT RAW MATERIALS & COMPONENTS CONSUMED

(Rupees in Lacs)

Particulars	Raw Materials	Stores & Spares & Packing Materials	Traded Goods
31.03.2007	Value (Rs.)	Value (Rs.)	Value (Rs.)
Imported	4,958.38	-	-
Indigenous	127.86	-	-
31.03.2008	-	-	-
Imported	6,213.94	-	-
Indigenous	2,669.35	22.68	-
31.03.2009	-	-	-
Imported	16,467.45	-	-
Indigenous	4,944.06	2.82	-
31.03.2010	-	-	-
Imported	20,932.38	-	1,969.73
Indigenous	4,283.02	19.94	345.52
31.03.2011	-	-	-
Imported	19,841.35	-	-
Indigenous	32,662.90	3,512.17	5,435.96

16. STATEMENT OF INVENTORIES & SALES OF MANUFACTURING ITEMS & TRADED GOODS

(Rupees in Lacs)

Particulars	Lead Wires (Kg)		Lead Wires (Meters)		Lead Wires No.)	
Manufactured Items	Qty	Value	Qty	Value	Qty	Value
2006-2007						
Opening Stock	1,014	2.10				
Production	1,632,837	-				
Sales	1,631,048	5,861.11				
Closing Stock	2,803	7.42				
2007-2008						
Opening Stock	2,803	7.42				
Production	2,840,532	-				
Sales	2,842,165	10,207.73				
Closing Stock	1,170	2.83				
2008-2009						
Opening Stock	1,170	2.83				
Production	7,593,250	-				
Sales	7,576,397	23,921.04				
Closing Stock	18,023	45.47				
2009-2010						
Opening Stock	18,023	45.47				
Production	8,450,340	-				
Sales	8,460,385	28,572.49				
Closing Stock	7,978	30.11				
2010-2011						
Opening Stock	7,978	30.11				
Production	5,994,295	-	115,816,974	-	296,843,800	-
Sales	5,887,961	23,769.92	105,621,347	31,495.60	296,843,800	2,662.36
Closing Stock	114,312	448.14	10,195,627	3,095.28		-

Traded Goods	In (Kg)		In (Meters.)		In (No.)	
	Qty	Value	Qty	Value	Qty	Value
2009-2010						
Opening Stock						
Purchases	727,763	2,315.25				
Sales	727,763	2,352.66				
Closing Stock		-				
2010-2011						
Opening Stock		-				
Purchases	519,381	1,804.07	12,937,541	3,623.70	2,028	8.19
Sales	519,381	1,837.80	12,937,541	3,786.77	2,028	9.18
Closing Stock						

17. Micro Small and Medium Enterprises Development Act, 2006 (the MSMED Act')

The Company has not received for all years any intimation from suppliers regarding their status or its registration with appropriate authority under the Micro, Small & Medium Enterprises Development Act, 2006 (the 'MSMED Act').

18. Segment Reporting:

The principal business of the Company is manufacturing and sale of copper wires. All other activities of the company revolve around its main business. Hence there is only one primary reportable segment as defined by Accounting Standard 17 as notified by the Companies (Accounting Standard) Rules, 2006

Though the Company has identified export sales as a separate geographical segment in the audited accounts for FY 2008-09, 2009-10 and 2010-11, in our opinion as the risk and returns from both export and domestic sales are not very different, hence geographical segment wise reporting under AS 17 is not applicable.

19. Disclosure as per AS 15

Employee Benefits

Defined Benefits Scheme: Gratuity

Key Assumptions made for the actuarial valuation of the gratuity liability are as under

Sr No.	Particulars	FY 2010-11
1	Discount Rate p.a.	8%
2	Rate of Increase in Compensation Level	5%
3	Rate of Return on Planned Assets	NA
4	Mortality Rates	As per 1994-96 LIC Mortality Rates
Sr No.	Particulars	FY 2010-11
1	Change in Present Value of Obligation	
	Opening Balance of Present Value of obligation	404095
	Interest cost	
	Current Service Cost	91550
	Accumulated Service Cost	160081
	Actuarial Gain \ Loss	
	Closing Balance of Present Value of obligation	655726

Statement of Changes in Accounting Policies

There have been no changes in accounting policies during the reported period

Annexure 7

STATEMENT OF CONTINGENT LIABILITY					
(Rupees In Lacs)					
	Year ended on				
Particulars	31.03.11	31.03.10	31.03.09	31.3.08	31.03.07
Letter of credit	4660.4	2422.31	-	-	-
Bank Guarantee / Bank Guarantee Bonds	343.55	509.5	5073.84	2150	-
Bills Discounted	-	241.47	620.22	-	-
Disputed Liability on account of Income Tax	Refer Note no. 2	-		Refer note no. 1	-

Notes

- 1 The Assessing Officer has initiated the Penalty proceedings u/s 271(1)(c) for the Assessment Year 2008-09 . In the opinion of the management there will be no liability is expected on account of the same

- 2 On 4th March 2011 survey under section 133A of The Income Tax Act 1961 was conducted in the Company Premises . A declaration of ₹ 6 Cores was made to overcome possible discrepancies , which might have crept into the systems. As informed to us the Company has improved the method of valuation of stock giving effect of the same.

STATEMENT OF DIVIDEND DELCARE / DISTRIBUTED

	Year ended on				
Particulars	31.03.11	31.03.10	31.03.09	31.3.08	31.03.07
Dividend on equity shares	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL

Annexure 9
(Rupees in Lacs)

STATEMENT OF OTHER INCOME, AS RESTATED

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
-					
<u>-Recurring</u>					
Interest Received	51.37	12.25	0.33	-	-
Set off	3.15	-	-	-	-
Commission received	3.03	-	-	-	-
Miscellaneous Receipt	0.01	2.46	2.78	0.45	0.01
Freight Received	-	-	-	-	0.07
Difference in Exchange Rate of Export	664.21	-	-	5.44	(1.00)
Labour Charges Received	28.36	4.37	1.91	2.16	-
Discount Received	7.03	51.33	0.06	0.73	-
Dividend Income	1.11	-	-	-	-
Scrap Sales	3.11	-	-	-	-
<u>-Non Recurring</u>			-		
Receipt of insurance Claim	0.72	-	-	-	-
Balance Written Back	0.05	-	-	7.81	-
Total	762.13	70.41	5.07	16.58	(0.92)

Annexure 10
(Rupees in Lacs)

SUMMARY OF ACCOUNTING RATIOS

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
<u>a) Earnings Per Share</u>					
Adjusted Profit after tax but before extraordinary items	3,028.34	1,003.66	851.72	373.38	214.63
Weighted Average number of Equity shares outstanding	19,777,436	17,935,002	13,669,504	11,822,360	11,285,100
Basic Earning Per Share (₹)	15.31	5.60	6.23	3.16	1.90
Diluted Earning Per Share (₹)	15.31	5.60	6.23	3.16	1.90
<u>b) Net Asset Value Per Share</u>	-				
Total Asset (a)	32,930.26	11,775.86	10,203.64	3,735.01	1,797.12
Total Liabilities (b)	26,004.22	8,142.80	8,249.97	3,092.82	1,733.31
Asset Value [(a)-(b)]	6,926.04	3,633.06	1,953.67	642.19	63.81
Weighted Average number of Equity shares outstanding	19,777,436	17,935,002	13,669,504	11,822,360	11,285,100
Net Asset Value per share (₹)	35.02	20.26	14.29	5.43	0.57
<u>c) Return on Net Worth (%)</u>	-				
Adjusted Profit after tax but before extraordinary items	3,028.34	1,003.66	851.72	373.38	214.63
Net Worth	6,926.04	3,633.06	1,953.67	642.19	63.81
Return on Net Worth (%)	43.72	27.63	43.60	58.14	336.36
Weighted Average number of Equity shares outstanding during the year considered for Basic and diluted EPS, Net Asset Value per Share and Return on Net Worth	19,777,436	17,935,002	13,669,504	11,822,360	11,285,100

Formulae:

Earnings Per Share	=	$\frac{\text{Adjusted profit after tax but before extraordinary items}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
Net Asset Value Per Share	=	$\frac{\text{Net worth excluding Revaluation Reserve}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
Return on Net Worth (%)	=	$\frac{\text{Adjusted profit after tax but before extraordinary items}}{\text{Net worth excluding Revaluation Reserve}}$

Note: Net Worth = Equity Share Capital + Reserves & Surplus (Excluding revaluation reserve) – Miscellaneous Expenditure

Notes:

- 1) Earnings per Share are calculated in accordance with Accounting Standard 20 "Earnings Per Share" issued by the Institute of Chartered Accountants of India. In terms of para 24 of AS-20, the number of equity shares outstanding before the issue of bonus shares is adjusted for the change in number of equity shares issued as bonus shares as if the shares were issued at the beginning of the earliest reported period.
- 2) During the year ended 31st March, 2011 the company has issued 1,10,00,000 bonus shares to the shareholders in the ratio of 11:9 by way of capitalisation of share premium & free reserves. Since the bonus issue is an issue without consideration, it has been treated as if it had occurred from the beginning of the earliest period reported i.e. 31st March, 2007, both for the purpose of computing EPS and Net Asset Value per Share.
- 3) During the year ended 31st March, 2010 the company has issued 8,76,837 shares to one of the promoter for consideration other than cash in pursuance of merger of M/s Galavano Techniques, a proprietary concern into the Company.
- 4) The above ratios have been calculated based on restated financial statements.

Calculation of Weighted Average Number of Shares during the Year

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Total number of equity shares outstanding at the beginning of the year	20,000,000	8,621,937	6,932,600	2,335,100	285,100
	8,621,937	6,932,600	2,335,100	285,100	285,100
Nominal value of equity shares – (₹.)	10	10	10	10	10
<u>Equity shares issued during the year/period :</u>	-	-	-	-	-
<u>Date of Issue of shares:</u>	-	-	-	-	-
26/12/2007.				1,350,000	
27/12/2007.				700,000	
02/02/2009.			2,097,500		
30/03/2009.			2,500,000		
30/03/2010.		876,837			
31/03/2010.		812,500			
28/09/2010.	250,000				
06/01/2011.	128,063				
Total equity shares issued in the year	378,063	1,689,337	4,597,500	2,050,000	-
Bonus Equity Shares issued [C]		-	-		
28/03/2011.	11,000,000				
Total shares issued	11,378,063	1,689,337	4,597,500	2,050,000	-

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
No of shares issued at the beginning of the period	8,621,937	6,932,600	2,335,100	285,100	285,100
Bonus issued durin FY 2010-11	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Total Effective shares at the beginning of the period	19,621,937	17,932,600	13,335,100	11,285,100	11,285,100
Calculation factor	1	1	1	1	1
Weighted average per share (post bonus)	19,621,937	17,932,600	13,335,100	11,285,100	11,285,100
Allotment made for the period	378,063	1,689,337	4,597,500	2,050,000	-
Allotment made for the period				1,350,000	
Allotment made for the period				700,000	
Allotment made for the period			2,097,500		
Allotment made for the period			2,500,000		
Allotment made for the period		876,837			
Allotment made for the period		812,500			
Allotment made for the period	250,000				
Allotment made for the period	128,063				
Calculation factor per allotment					
	0.50	0.00	0.16	0.26	
	0.23	0.00	0.00	0.26	
Weighted average for number of shares allotted	155,499	2,402	334,404	537,260	-
Total Weighted average number of Shares	19,777,436	17,935,002	13,669,504	11,822,360	11,285,100

Annexure 11
(Rupees in Lacs)

CAPITALISATION STATEMENT, AS RESTATED

Particulars	Pre Issue As on 31/3/2011.	Post Issue
<u>Loans - Secured and Unsecured</u>		
Short Term Debt	-	[●]
Long Term Debt	10,660.23	[●]
Total Debt	10,660.23	[●]
<u>Share Holders Funds</u>		
Share Capital	2,000.00	[●]
Reserves and Surplus	4,926.04	[●]
Sub-Total	6,926.04	[●]
Less : Preliminary Expenses not written off	-	[●]
Total Share Holder's Fund	6,926.04	[●]
Long Term Debt / Equity	1.54	[●]

Note:

- a) The above has been computed on the basis of restated statements of accounts
- b) Short Term Debts are debts maturing within next one year
- c) Security Premium under the head Reserves and Surplus for the post issue capitalization will be determined after fixation of the issue price.

Annexure 12
(Rupees in Lacs)

STATEMENT OF SUNDRY DEBTORS, AS RESTATED

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
-	-	-	-	-	
<u>-Outstanding for More than six months</u>	-	-	-	-	
Unsecured, Considered Good	500.76	635.28	2,651.07	85.81	-
Unsecured, Considered doubtful	-	-	-	-	-
<u>-Others</u>	-	-	-	-	
Unsecured, Considered Good	20,510.62	6,230.90	5,103.18	1,427.70	962.85
Unsecured, Considered doubtful	-	-	-	-	-
Total	21,011.38	6,866.18	7,754.25	1,513.51	962.85

Annexure 13
(Rupees in Lacs)

STATEMENT OF LOANS AND ADVANCES, AS RESTATED

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Loans And Advances					
(Unsecured, Considered Good)					
Advances recoverable in cash or in kind or for value to be received	-	-			
-From Companies under the same management	-	-	-	-	-
-Others					
Balance of Income Tax	800.00	200.00	55.00	-	0.13
Balance with Central Excise Dept (PLA A/C)	-	-	-	-	0.07
Education Cess	-	-	-	-	13.16
Excise Duty (RG 23 A) Balance	-	-	108.71	10.98	103.41
Deposits	40.67	19.30	16.39	12.97	11.65
Other Advance	2,737.14	1,023.20	163.24	337.71	124.69
Prepaid Expenses	186.66	14.10	22.00	0.36	0.90
Taxes & Duties Receivable	730.00	754.78	-	-	-
Refund of Excise receivable	-	-	363.90	212.59	69.02
Refund of Sales Tax receivable	-	-	81.80	-	-
Mat Credit Receivable	-	-	12.15	12.15	-
Total	4,494.47	2,011.38	823.19	586.75	323.03

Duplex Industries Limited (formerly known as Duplex Wires Private Limited)**Annexure 14**
(Rupees in Lacs)**STATEMENT OF SECURED LOANS, AS RESTATED**

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007	31st March, 2006
Cash Credit						
Janata Sahakari Bank Ltd. (Refer Note)	-	708.59	357.77	706.75	500.00	381.56
Nagpur Nagrik Sahakari Bank Ltd.	-	-	350.29	-	-	-
State Bank of India	5,839.61	2,600.26	-	-	-	-
Dhanalaxmi Bank Limited	752.04	-	-	-	-	-
Yes Bank Limited	499.69	-	-	-	-	-
Shamrao Vitthal Co-op Bank Ltd.	-	-	1,113.53	-	-	-
Suvarna Sahkari Bank Limited	-	-	-	-	-	65.38
Total (a)	7,091.34	3,308.85	1,821.59	706.75	500.00	446.94
b) Vehicle and Equipment loans						
<u>Vehicle Loans</u>						
Janata Sahakari Bank Ltd.	21.25	36.12	183.61	192.57	-	-
<u>Equipment loans</u>						
State Bank Of India	434.84	-	-	-	-	-
Dhanalaxmi Bank Ltd.	434.44	-	-	-	-	-
Total (b)	890.53	36.12	183.61	192.57	-	-
Total (a+b)	7,981.86	3,344.97	2,005.19	899.31	500.00	446.94

B) Unsecured Loans

Particulars	31.3.2011	31.3.2010	31.3.2009	31.3.2008	31.3.2007
Loan from Promoters	548.84	65.41	104.06	55.48	73.80
Inter Corporate Deposits	2,069.17	43.97	473.88	641.93	110.81
Sales Tax Deferral Scheme of Maharashtra	60.36	63.47	54.32	57.40	57.40
Total	2,678.37	172.84	632.26	754.80	242.01

NOTE: No terms and condition as to repayment and interest are stipulated in respect of loans from Promoters.

Note:

Inter corporate deposit Outstanding as on 31st March 2011 amounting ₹ 206917188 consists of unsecured loan from ABN Amro Bank, Aditya Birla Finance Ltd., India Factoring & Finance solution Pvt. Ltd., L&T Finance Ltd.

Loan from ABN Amro Bank amounting ₹ 25,00,000 @16% p.a on reducing balance is repayable in 48 equal installments of ₹ 0.71 Lacs and the outstanding balance as on 31st March 2011 is ₹ 751604.

Trade Finance from Aditya Birla Finance Ltd. amounting ₹ 3,00,00,000 is repayable as stipulated in the relevant factored invoices @ 12.5% and the outstanding balance as on 31st March 2011 is ₹ 2,52,56,277

Trade Finance from India Factoring & Finance solution Pvt Ltd. amounting ₹ 10,00,00,000 is repayable as stipulated in the relevant factored invoices @12.5% p.a. and the outstanding balance as on 31st March 2011 is ₹ 8,96,63,061

Trade Finance from L&T Finance Ltd. amounting ₹ 10,00,00,000 is repayable upto 90 days from each tranche of disbursement @12.5% p.a. and the outstanding balance as on 31st March 2011 is ₹ 9,12,46,246

Sr. No.	Name of the Bank	Type of the loan facility	Amount (₹)	Interest	Repayment	Security
1	State Bank Of India	Cash Credit (Including PCFC/EPC EBD)	600,000,000	4.25% Above Base Rate Present Base rate 8.25%		Primary Security Hypothecation of stock, Book Debts & other current Asstes of the company Collateral Security Registered Mortgage of factory land and building at plot no. A/3, MIDC Industrial area kurkumbh, taluka daund & pune. Hypothecation of machinery purchased by the bank finance. Guarantee Personal guarantee of Shri Anand Vishnu Satpute Shri Anil Anand Satpute Mrs. Kanchan Anil Satpute
2	State Bank Of India	Term Loan	50,000,000		49 equal monthly installment commencing from January, 2011	Primary Security Registered Mortgage of factory land and building

Sr. No.	Name of the Bank	Type of the loan facility	Amount (₹)	Interest	Repayment	Security
						at plot no. A/3, MIDC Industrial area kurkumbh, taluka daund & pune. Hypothecation of machinery purchased by the bank finance Collateral Security Registered Mortgage of a) Flat at plot no. R-7 in Pune in name of Mrs. Kanchan Anil Satpute b) Flat no. 3 at kothrud in Pune held in name of Anand Vishnu Satpute c) Flat no. 4 at kothrud in Pune held in name of Anil Anand Satpute d) Shop no. 9 & 10 at Karve nagar in Pune held in name of Kanchan satpute & Usha Satpute e) Flat no. 2 at kouthrud in Pune held in name of Anil Satpute Hypothecation of Plant & Machinery held at parwanoo in Himachal Pradesh.
3	Dhan-laxmi Bank	Cash Credit	50,000,000	4.25% Above Base Rate Present Base rate 8.5%		Primary Security Hypothecation of stock, Book Debts & other current Asstes of the company Collateral Security Registered Mortgage of factory land and building at plot no. A/3, MIDC Industrial area kurkumbh, taluka daund & pune. Hypothecation of machinery purchased by the bank finance. Guarantee Personal guarantee of Shri Anand Vishnu Satpute Shri Anil Anand Satpute Mrs. Kanchan Anil Satpute
3	Dhan-laxmi Bank	Term Loan	50,000,000		49 equal monthly installment commencing from January, 2011	Primary Security Registered Mortgage of factory land and building at plot no. A/3, MIDC Industrial area kurkumbh, taluka daund & pune. Hypothecation of machinery purchased by the bank finance. Collateral Security Registered Mortgage of

Sr. No.	Name of the Bank	Type of the loan facility	Amount (₹)	Interest	Repayment	Security
						a) Flat at plot no. R-7 in Pune in name of Mrs. Kanchan Anil Satpute b) Flat no. 3 at kothrud in Pune held in name of Anand Vishnu Satpute c) Flat no. 4 at kothrud in Pune held in name of Anil Anand Satpute d) Shop no. 9 & 10 at Karve nagar in Pune held in name of Kanchan satpute & Usha Satpute e) Flat no. 2 at kouthrud in Pune held in name of Anil Satpute Hypothecation of Plant & Machineryheld at parwanoo in Himachal Pradesh.
4	YES Bank Ltd.	Cash Credit	50,000,000	4% Above Base Rate Present Base rate 8.5%		Primary Security Registered Mortgage of factory land and building at plot no. A/3, MIDC Industrial area kurkumbh, taluka daund & pune. Hypothecation of machinery purchased by the bank finance. Registered Mortgage of a) Flat at plot no. R-7 in Pune in name of Mrs. Kanchan Anil Satpute b) Flat no. 3 at kothrud in Pune held in name of Anand Vishnu Satpute c) Flat no. 4 at kothrud in Pune held in name of Anil Anand Satpute d) Shop no. 9 & 10 at Karve nagar in Pune held in name of Kanchan satpute & Usha Satpute e) Flat no. 2 at kouthrud in Pune held in name of Anil Satpute Hypothecation of Plant & Machineryheld at parwanoo in Himachal Pradesh. Land situated at Gat no. 6,gat no. 10, Gat no. 15, Gat no. 441, Gat no. 444, Gat no.364(P) in Pune owned by Anand Satpute Land situated at Gat no. 416/1(P) at Ahmednagar owned by Anand Satpute LIC Policies on life of Anil Satpute Guarantee

Sr. No.	Name of the Bank	Type of the loan facility	Amount (₹)	Interest	Repayment	Security
						Personal guarantee of Shri Anand Vishnu Satpute Shri Anil Anand Satpute Mrs. Kanchan Anil Satpute
5	ICICI Bank	Cash Credit	50,000,000	3.65% Above Base Rate Present Base rate 8.75%		Primary Security Hypothecation of company's entire stock of Raw Materials, semi-finished goods, stores n spares & other Book Debts. Collateral Security Mortgage of Kurkumbh factory Premises & Mortgage of personal Properties of Promoters. Assignment of Credit Shield Policy of New India Assurance Co. Ltd. Assignment of LIC's Key man's policy of Anil Satpute Guarantee Personal guarantee of Shri Anand Vishnu Satpute Shri Anil Anand Satpute Mrs. Kanchan Anil Satpute
6	Vehicle Loans HDFC Bank ICICI Bank AXIS Bank AXIS Bank AXIS Bank AXIS Bank	Term loan Term loan Term loan Term loan Term loan	900000 2000000 710000 1000000 1000000	12.50% 10.50% 11.67% 11.25% 11.25%	60 Installment 60 Installment 37 Installment 37 Installment 37 Installment	Vehicle Vehicle Vehicle Vehicle Vehicle

NOTE:

- 1) ICICI Bank loan had been sanctioned in the year 2010-2011 while there was no drawing from the bank till 31st March,
- 2) We have also received adhoc cash credit limit for ₹ 2.5 Crores from Dhanlaxmi Bank for the period of 3 months i.e. from 15th February, 2011 to 14th May, 2011

Annexure 15
(Rupees in Lacs)

STATEMENT OF RESERVE AND SURPLUS, AS RESTATED

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
-					
<u>Securities Premium Account</u>					
Balance brought forward	506.80	506.80	-	-	-
Add: Shares issued at Premium	226.84	-	-	-	-
Less: Utilised for issue of bonus shares	733.64	-	-	-	-
Balance carried forward	-	506.80	-	-	-
<u>Profit & Loss Account</u>					
Surplus brought forward from Previous Year	2,264.07	1,260.41	408.68	35.30	(179.33)
Profit & loss of current year	3,028.34	1,003.66	851.72	373.38	214.63
Less: Utilised for issue of bonus shares	366.36	-	-	-	-
Total	4,926.04	2,264.07	1,260.41	408.68	35.30

Annexure 16
(Rupees in Lacs)

STATEMENT OF FIXED ASSETS

Particulars	Sch.	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
<u>Fixed Assets</u>						
Gross Block		3.48	2.22	2.04	1.47	0.47
Less: Depreciation		1.64	1.15	0.80	0.41	0.18
Net Block		1.84	1.07	1.24	1.06	0.29
Capital WIP		278.26	29.38	-	-	-
Total (A)		280.10	30.45	1.24	1.06	0.29

Annexure 17
(Rupees in Lacs)

Statement of Tax Shelters

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Profit before tax but after Extraordinary items as per books (A)	3,908.97	1,241.60	1,074.44	429.59	247.91
Tax	30.00%	30.00%	30.00%	30.00%	30.00%
Surcharge	3.00%	3.00%	3.00%	3.00%	2.00%
Education Cess	0.99%	0.99%	0.99%	0.99%	0.64%
Tax rate	33.99%	33.99%	33.99%	33.99%	32.64%
Tax at notional rate on profits (X)	1,328.66	422.02	365.20	146.02	80.92
<u>Adjustments:</u>	-	-	-	-	-
Permanent differences (B)	-	-	-	-	-
Deduction u/s 80IB	1,398.22	583.58	493.73	287.72	109.57
Additions \Deductions	(21.81)	(11.74)	(25.61)	86.77	(87.79)
Income Tax Assessment Additions	-	-	-	(45.98)	-
Total Permanent differences (B)	1,376.41	571.84	468.12	328.50	21.78
Timing differences (C)	-	-	-	-	-
Depreciation as per Income Tax	340.60	60.67	46.71	30.99	33.79
Depreciation as per Books of Accounts	219.93	170.52	48.44	32.61	13.02
Difference between tax depreciation and book depreciation	120.68	(109.85)	(1.73)	(1.62)	20.77
Total Timing Differences (C)	120.68	(109.85)	(1.73)	(1.62)	20.77
Net Adjustments (B+C)	1,497.09	461.99	466.40	326.88	42.55
Tax Saving thereon (Y)	508.86	157.03	158.53	111.11	13.89
Profit as per Income Tax Returns (D)=(A-B-C)	2,411.88	779.61	608.04	102.71	205.36
Brought Forward Losses adjusted (E)	-	-	-	-	140.03
Taxable Income (D+E)	2,411.88	779.61	608.04	102.71	65.33
Tax as per Income tax as returned [(X)+(Y)]	723.56	233.88	182.41	30.81	19.60
Less: MAT Credit	-	12.15	-	-	-
Total tax as per return	723.56	221.74	182.41	30.81	19.60
Taxable Income as per MAT	3,908.97	1,254.42	1,074.44	429.59	171.14
Tax as per MAT.	703.62	188.16	107.44	42.96	17.11
Total tax payable or MAT whichever is Higher	723.56	221.74	182.41	42.96	19.60
Add: Surcharge	72.36	22.17	18.24	4.30	1.96
Add: Education Cess	23.88	7.32	6.02	1.42	0.43
Interest u/s 234 (As per return of Income)	39.69	14.90	16.44	4.40	2.65
Total Tax Payable [(X+Y)]	859.48	266.13	223.11	53.08	24.64

Notes:-

1) The aforesaid Statement of Tax Shelters has been prepared as per the audited accounts and return of income filed by Duplex Wires Pvt.Ltd. for the respective years and is not based on the profits as per the 'Summary of Restated Profit and Loss Account'.

M.A.T.	18%	15%	10%	10%	10%
Surcharge	1%	1.50%	1.00%	1.00%	1.00%
Cess	0.57%	0.50%	0.33%	0.33%	0.22%
Total	19.57%	17.00%	11.33%	11.33%	11.22%

Annexure 18
(Rupees in Lacs)

STATEMENT OF RELATED PARTY TRANSACTIONS

Party	Relationship
Anand Satpute	Director - Key Management Personnel
Anil Satpute	Director - Key Management Personnel
Kanchan Satpute	Relative of Key Management Personnel
Usha Satpute	Relative of Key Management Personnel
M/s Galvano Technique	Related Party Common Control Exist

Particulars		31.3.11	31.3.10	31.3.09	31.3.08	31.3.07
Anand Satpute	Salary & Allowances	24.00	24.00	26.00	18.00	16.80
	Equity Shares Issued and					
	Subscribed	0.20	63.00	12.50	NIL	NIL
	Receivable	NIL	NIL	NIL	4.66	NIL
	Payable	NIL	6.43	18.51	NIL	NIL
Anil Satpute	Salary & Allowances	60.00	87.00	60.00	18.00	14.24
	Equity Shares Issued and					
	Subscribed	70.71	475.73	156.00	NIL	NIL
	Premium received on above shares	226.84	NIL	NIL	NIL	NIL
	Receivable	NIL	NIL	NIL	81.31	NIL
	Payable	NIL	24.42	NIL	9.10	NIL
Kanchan Satpute	Salary & Allowances	NIL	NIL	NIL	NIL	NIL
	Equity Shares Issued and					
	Subscribed	4.64	137.00	160.00	NIL	NIL
	Rent Paid	4.80	4.80	3.15	NIL	NIL
	Interest Paid	NIL	NIL	NIL	3.44	NIL
	Receivable	NIL	NIL	NIL	1.66	NIL
	Payable	NIL	NIL	45.33	NIL	NIL
Usha Satpute	Salary & Allowances	NIL	NIL	NIL	NIL	NIL
	Equity Shares Issued and					
	Subscribed	NIL	NIL	18.75	NIL	NIL
	Rent Paid	NIL	NIL	NIL	NIL	NIL
	Interest Paid	NIL	NIL	NIL	5.30	NIL
	Receivable	NIL	NIL	NIL	NIL	NIL
	Payable	NIL	NIL	NIL	0.62	NIL
M/s Galvano Techniques	Sales	Refer	NIL	675.23	858.29	NIL
	Purchases	Note	NIL	208.67	NIL	NIL
	Labour charges	Below	NIL	12.83	19.59	NIL
	Receivable	-	NIL	NIL	874.52	NIL
*	Payable	-	NIL	290.43	NIL	NIL

Note: M/s Galvano Techniques a proprietary concern of Mr. Anil Satpute was merged into the Company with effect from 18th July, 2009, hence the figures have not been given

Annexure 19
(Rupees in Lacs)

Break-up of Capital Work In Progress

Particulars	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008	31st March, 2007
Advances given against Purchase of Land	5,01,001	10,41,600	-	-	-
Factory Building Work in Progress	-	2,67,84,481	-	-	-
Advances given against Purchase of Plant & machinery	24,36,780	-	-	-	-

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS REFLECTED IN THE FINANCIAL STATEMENTS

The following discussion of our financial condition and results of operations should be read in conjunction with our audited financial statements as of and for the years ended March 31, 2007, 2008, 2009, 2010 and 2011, prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Information" beginning on page 161 of this DRHP. Unless otherwise stated, the financial information used in this section is derived from our audited financial statements, as restated.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this DRHP, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements as restated included in this DRHP will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward Looking Statements" beginning on page 13 and page 12, respectively. In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Duplex Industries Limited and a reference to "we", "us" and "our" refers to Duplex Industries Limited. .

The financial information contained in the Section "Financial Information" has been certified by M/s. Laxmikant Kabra, Chartered Accountants who have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

All financial information contained in the Section "Financial Information" in this DRHP have been re-audited for one full financial year by M/s. Laxmikant Kabra, Chartered Accountants who have certified the Restated financial information.

Overview

Our Present Business

We are an established manufacturer of copper wires and allied copper products.

We established our first manufacturing unit in 1996 at Kurkumbh, Pune on a portion of land leased out by MIDC for carrying on the business of electroplating of coated copper wires and solder plated copper wires. Over the years we enlarged our scope of production and product portfolio. Today we manufacture Copper Wire products such as Bare Copper Wire (BCW), Coated Copper Wire, Tin Wire, Enameled Copper Wire, Bunched Wire, Insulators, Strips, Bus Bars in various shapes and sizes having applications in Power, Electrical, Electronic, Communication and Automobile sector.

In 2007, our second unit was set up at Parwanoo in Himachal Pradesh. In 2009 we commenced one more unit (our third unit) near the same location at Parwanoo in Himachal Pradesh. The strategic location of Parwanoo units helps us to market our products in the neighboring Delhi-NCR region & Ludhiana market. The Parwanoo unit enjoys special fiscal incentives and tax benefits.

In 2009-10, we acquired Galvano Techniques, a proprietary concern owned by one of our promoters, Mr. Anil Satpute, along with its assets and liabilities. Galvano Techniques had developed the technology for reel-to-reel electro-plating and electrolytic refining process. This refining activity helps us to remove all the impurities from any impure copper base (such as scrap utensils and anodes) to give us pure quality copper with 99.99% purity. With the said acquisition, we have the advantage of owning the said technology and using the same in our business.

In the financial year 2011, our fourth manufacturing unit located at Silvassa also got commissioned which caters to the Gujarat region. The said manufacturing unit is used for manufacturing Bare Copper Wire, Bust Bars and Strips. The Silvassa unit is eligible for VAT/CST exemption.

As on date, we have four manufacturing units with ISO certification for quality management, one at Pune, two at Parwanoo (HP) and one at Silvassa with cumulative installed (Wire Drawing) capacity of 24,000 MTPA. All the units are located at strategic locations and well connected with road and rail to the rest of the country and thus facilitate efficient movement of raw material and finished goods.

Our Existing Works

Manufacturing Units	Location	Products Manufactured
Kurkumbh	A-3 MIDC kurkumbh Tal Daund, Distt Pune- 413805	Bare Copper Wire, Silver/Tin Plated Wire, Tin Wire, Bunched Copper Wire, Strips, Enamel Copper Wire.
Silvassa	S.No. 37/1/2 Gala No 2, Waghara Khadi Road, Silvassa- 396191	Bare Copper Wire, Bus Bars, Strips.
Parwanoo Unit I	Khasara No 372/1, Village Nariyal Nr Canter Union, Parwanoo, Dist Solan, Himachal Pradesh 173220	Bare Copper Wire, Bunched Copper Wire, Strips.
Parwanoo- Unit II	Khasara No 753-754 Sector 2, Parwanoo, Distt Solan, Himachal Pradesh-173220	Bare Copper Wire, Bunched Copper Wire.

Over the period of last 15 years, we have established ourselves as a manufacturers and suppliers of copper wires and allied products. We have adequately invested in plant automation and in eliminating bottlenecks in the manufacturing process. We have developed processes of reel-to-reel electroplating and electro-refining which is one of our Company's competitive strength.

- *Professional Management*

Our Promoters are professionally qualified and largely experienced entrepreneurs. One of our promoters, Mr. Anand Satpute has 40 years of experience in this field. Our senior management is qualified and trained for overseeing the day-to-day operations and executing the business strategies of our Board of Directors.

- *Broad based product line*

Our products range include Bare Copper Wire, Tin Plated, Silver Plated Copper Wires, Tin Wire, Enamel Wire, Bunched Wires, Bare Copper Strips, etc., having application in Power Transmission, Cable, Electronic, Automobile, Engineering and other sectors.

- *Growth in user industry – the infrastructure sector.*

The key end-user of products of the company is infrastructure sector viz.

- Power Transmission and Distribution companies,
- Power Cable manufacturing companies,
- Construction companies,
- Engineering companies,
- Automobile and allied sectors

The entire infrastructure segment sector has been witnessing significant growth with the Government's initiative on infrastructure development.

- *Strong in-house capabilities*

One of our Promoters, Mr. Anand Satpute has vast experience in Copper electroplating process. His efforts have helped us to develop processes and technologies to make our manufacturing process more efficient and broaden our product range. With the help of his knowledge and experience, we have developed an in-house capability of electro-refining process.

- *Customer base:*

Although we have small customer base, we have developed healthy business relationship and goodwill with all our customers. We also export our products to U.K, Hong Kong, Singapore and Sri Lanka. We are recognized as a 'Star Export House' for the last 2 (two) consecutive years.

Proposed Project

We now propose to set up a new unit in or around Pune for manufacture of Wires and Cables. Having established ourselves as a manufacturer and supplier of copper wires and allied products, manufacture of Wires and Cables is a natural extension of our existing line of activity. We are also expanding our capacity of Bare Copper Strips and installing facilities for Insulated Copper Wires in our existing manufacturing unit at Silvassa. We are not planning any expansion of capacity or additional units at Parwanoo, Himachal Pradesh where our units are located on premises held on short-term leasehold basis, since our management strategy is to focus our future growth only on locations where we own the premises or hold leasehold rights on long-term basis.

Proposed Units (Additional)

Units	Location	Products proposed to be manufactured
Maharashtra	The Unit is proposed to be located in or around Pune, Maharashtra	HV Cable, Flexible cables (Single & Multi core), Solid Conductors (Armoured or Unarmoured)
Silvassa	S.No. 37/1/2 Gala No 2, Waghara Khadi Road, Silvassa- 396191	Bare Copper Strips and Insulated Copper Strips such as Fibre Glass covered varnish bonded copper strips, Kapton film covered copper strips, Paper covered copper strips , Enamel coated copper strips

For further details, please see the chapter on "Business Overview" and "Objects of the Issue" on pages 107 and 64, respectively.

Significant developments subsequent to the last financial year:

Subsequent to the last financial year, our Board of Directors have proposed to implement the projects to set up a new unit in or around Pune for manufacture of Wires and Cables and also install facilities in the existing location at Silvassa for manufacture of Bare Copper Wires and Insulated Copper Wires. To finance these projects, our Board has proposed the present Issue of shares to the public.

In the opinion of our Board of Directors, there have not arisen any circumstances since the date of the last financial statements as disclosed in this DRHP which materially or adversely affect or is likely to affect the trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 (twelve) months.

Factors affecting our results of operations

Our results of operations could potentially be affected by the following factors: -

Volatility in the prices of Raw Materials

The prices of our major raw materials i.e Continuous Cast Copper Rod, Electrolytic Tough Pitch Grade Copper Rod, Oxygen Free Copper Rod and Oxygen Free High Conductivity Copper Rods will remain volatile on account of their basic nature of being dependent on Copper. Copper is a commodity which is globally traded and its prices depend on global demand and supply. In the past five years, price of copper has seen fluctuations between USD 3000 and USD 10000 per MT. We have been following a prudent policy of back-to-back arrangements in respect of our purchases and sales of Copper Rods, thereby focusing mainly on profit margin arising out of value addition rather than on commodity price differentials. However, it cannot be assured that we will always, in future, be able to avoid the adverse impact of volatility on our performance. Moreover, the rising cost of copper enhances our working capital requirements for raw materials. Purchase of copper is generally against either advance payment or letter of credit in favour of our suppliers. Further, any adverse changes in the Government policy with respect to import or export of Copper and its allied products such as changes in import duty, imposition of anti-dumping duties or changes in sea-freight, clearing charges, excise duty, sales tax or some other local taxes and levies, would also impact our raw material cost, which in turn could adversely affect our business and financial operations.

Dependent on few suppliers for raw materials

We are dependent on a few suppliers for our requirement of Copper Rods which is the main raw material for our products. We procure our raw materials, domestically, from major Indian copper manufacturers, while import is through a handful of global indenting agents. Having been in this industry for over 15 years, we have gained expertise in sourcing of raw material from domestic and overseas suppliers, on a timely basis to meet our production and sales requirements.

Timely payment from Customers

We extend credit to our customers – both domestic and overseas – based on market requirements, our client relationships and our assessment of the credit-worthiness of the customer. Although we have been generally receiving payments from our clients as per the terms of supply, there can be no assurance of the same in future. If a client delays or defaults in making its payment, it would affect our profitability and liquidity and decrease the resources that are otherwise available for other uses. There can be no assurance that the payments will be remitted by our customers to us on a timely basis at all times.

Dependence on few Customers

The Company generates its sales from a few customers, thereby placing heavy reliance on them for sourcing orders. In respect of our exports, we are dependent on a few customers in a few countries. This is on account of the nature of our products, where supply to end user is largely routed through indenting agents. Apart from U.K and Sri Lanka, where we sell to clients directly, our exports to Singapore and Hong Kong are to indenting agents. We do not have long term arrangements with all of our customers to purchase our products in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from the existing customers or to retain the existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event our existing customers do not continue to purchase our products. This may affect our revenues and the financial condition of our Company.

Timely Execution of Projects

Our proposed forward integration project of Wires and Cables and the expansion at Silvassa are proposed to be funded from the Net Proceeds of this Issue. Hence, any failure or delay on our part to mobilize the required resources or any shortfall in the Net Proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute these projects within the scheduled time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

Competition in our Business

Although there is a clear and growing market for our products, both in India and overseas, we do face competition from a number of other players in this segment. Our immediate competitors are many and include companies like Ram Ratna Wires Limited, Precision Wires Limited, Nissan Copper Limited to name a few. Any change in our customers' expectations on account of changes in technology or introduction of new or better products by our competitors or any other reason and failure on our part to meet our customers' expectations could adversely affect our business, results of operations and financial condition.

Government policy including taxes and duties

Our Company is entitled to certain benefits and financial incentives under the laws pertaining to Income Tax, VAT, Sales Tax etc. *For further details, please see the chapter on "Statement of Tax Benefits" on page 85.* Our profitability will be affected to the extent that such benefits shall not be available beyond the period currently contemplated in the relevant notification/circulars.

Regulatory changes relating to business segments in which we operate in India can have a bearing on our business. Each State in India has different local taxes and levies which may include value added tax, sales tax and octroi. Changes in these regulations and local taxes and levies may impact our profits and profitability. Any negative changes in the regulatory conditions in India or our other geographic markets could adversely affect our business operations or financial conditions.

Slowdown in the World Economy

Our performance and growth are dependent on the health of the Indian economy and other economies directly or indirectly. These economies could be adversely affected by various factors, such as political and regulatory action including adverse changes in liberalization policies, any adverse development in the World economy, introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that we will succeed to operate in or succeed in obtaining all requisite regulatory approvals in the future for our operations which could have an adverse impact on our business, financial condition and results of operations.

Increase in interest rates

We have not entered into any swap or interest rate hedging transactions in connection with our loan agreements. Any increase in interest expense due to factors beyond our control such as Governmental, monetary and tax policies and domestic and international economic and political conditions may affect our business operations and financial condition.

Ratio Analysis of the financial performance of our Company based on audited financial statements as restated for last three (3) Years:

(₹ Lacs)			
Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Sales	60329.22	30422.52	22959.74
Total Income	64598.59	30483.64	23007.46
Sales as a % of Total income	93.39%	99.80%	99.79%
Cost of materials Consumed	52673.50	25081.06	20456.70
Net Expenditure	59338.81	28424.11	21363.41
Raw Material Consumed as % of Total Income	81.54%	82.28%	88.91%
Net Expenditure as % of Total Income	91.86%	93.24%	92.85%
EBITDA	5259.78	2059.52	1644.05
EBITDA % Margin	8.14%	6.76%	7.15%
PBT	3908.97	1241.60	1074.44
PBT % Margin	6.05%	4.07%	4.67%
PAT	3028.34	1003.66	851.72
PAT % Margin	4.69%	3.29%	3.70%
Net Worth	6926.04	3633.06	1953.67
EPS	15.31	5.60	6.23
Return on Net Worth (%)	43.72%	27.63%	43.59%

DISCUSSION ON THE RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our audited financial statements as of and for the years ended March 31, 2007, 2008, 2009, 2010 and 2011, prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Information" beginning on page 161 of this DRHP.

The overview of the financial performance of our company based on audited financial information restated:

(₹ In Lacs)

Particulars	31st March, 2011	% of Total Income	31st March, 2010	% of Total Income	31st March, 2009	% of Total Income
INCOME						
Sale of Products manufactured by the Company	54695.47	84.67%	28069.85	92.08%	22959.74	99.79%
Sale of Products traded by the Company	5633.75	8.72%	2352.66	7.72%	0.00	0.00%
Sales	60329.22	93.39%	30422.52	99.80%	22959.74	99.79%
Other Income	762.13	1.18%	70.41	0.23%	5.07	0.02%
Increase or Decrease in Stock of Finished Goods	3507.24	5.43%	(9.29)	(0.03%)	42.64	0.19%
Total	64598.59	100.00%	30483.64	100.00%	23007.46	100.00%
EXPENDITURE						
Raw Material Consumed	52673.50	81.54%	25081.06	82.28%	20456.70	88.91%
Cost of products traded by the Company	5435.96	8.41%	2315.25	7.60%	0.00	0.00%
Manufacturing Expenses	476.15	0.74%	200.64	0.66%	390.59	1.70%
Payment to Employees	102.28	0.16%	72.30	0.24%	63.11	0.27%
Administrative & Selling Expenses	650.92	1.01%	754.86	2.48%	453.01	1.97%
Operating and administrative expenses	59338.81	91.86%	28424.11	93.24%	21363.41	92.85%
EBIDTA	5259.78	8.14%	2059.52	6.76%	1644.05	7.15%
Finance Expenses	1130.88	1.75%	647.41	2.12%	521.18	2.27%
Depreciation	219.93	0.34%	170.52	28.97%	48.44	0.21%
Total	60689.62	93.95%	29242.04	95.93%	21933.02	95.33%
Profit before tax	3908.97	6.05%	1241.60	4.07%	1074.44	4.67%
Tax Expenses	880.63	1.36%	237.94	0.78%	222.71	0.97%
Profit after Tax	3028.34	4.69%	1003.66	3.29%	851.72	3.70%

Comparison of Performance and Analysis of Developments for Financial year ended 31st March 2011 vis-à-vis financial years ended 2010, and 2009.

Sales

During the financial year 2010-11, the Company achieved Sales of ₹60,329.22 Lacs as compared to ₹ 30,422.52 Lacs during the financial year 2009-10 registering a growth of 98.32%. The Sales for FY 2009-10 grew by 32.50% over the corresponding figure for 2008-09 and for FY 2008-09, the Sales of ₹ 22,959.74 Lacs grew by 124.92% over the preceding financial year. The significant growth in 2010-11 is attributable to the company's sharpened focus on export sales accompanied by a sharp increase in prices of copper internationally. Also, during the FY 2011, the sales included high-sea trading sale of ₹ 5633.75 lacs.

Operating and administrative expenses

During the financial year 2010-11, operating and administrative expenses were ₹ 59,338.81 Lacs compared to ₹ 28,424.11 Lacs and ₹ 21,363.41 lacs during the financial year 2009-10 and 2008-09 respectively registering an increase of 108.76%, 33.05% and 121.48% in each of the years over respective preceding financial years. The increase is in line with the increase in business of the company.

EBIDTA

During the financial year 2010-11, EBIDTA was ₹5,259.78 Lacs compared to ₹ 2,059.52 Lacs and ₹1,644.05 lacs during the financial year 2009-10 and 2008-09 respectively registering a growth of 55.39%, 25.27% and 186.40% annually over the respective preceding financial years. As a percentage of Sales, EBIDTA was 8.14%, 6.76% and 7.15% for FY 2011, FY 2010 and FY 2009 respectively.

Financial Expenses

During the financial year 2010-11, financial expenses were ₹1,130.88 Lacs compared to ₹ 647.41 Lacs and ₹ 521.18 lacs during the financial year 2009-10 and 2008-09 respectively rising by 74.68%, 24.22% and 370.40% annually over respective preceding financial years. The rise in finance cost is in line with higher working capital and other financing facilities availed by the company to finance its increasing working capital requirements and capital expenditure.

Depreciation

During the financial year 2010-11, depreciation was ₹ 219.93 Lacs compared to ₹ 170.52 Lacs and ₹ 48.44 lacs during the financial year 2009-10 and 2008-09. The increased depreciation is in line with the increase in fixed assets of the company.

Profit After Tax

During the financial year 2010-11, profit after tax was ₹3,028.34 Lacs compared to ₹ 1,003.66 Lacs and ₹ 851.72 lacs during the financial year 2009-10 and 2008-09 respectively registering a growth of 201.73%, 17.84% and 128.73% annually. The profits for FY 2011 was higher on account of improved net margins and is also partially on account of higher Other Income which included forex gain of ₹ 664.21 lacs.

Net Worth

As on March 31, 2011 our net worth was ₹ 6,926.04 lacs, which increased from ₹ 3,633.06 lacs and ₹ 1,953.67 Lacs in 2009-10 and 2008-09 respectively, registering a growth of 90.64%, 87.12%, and 204.22% annually over corresponding figures for the preceding financial years. The networth increase is mainly attributable to the increase in profit after tax, while partially it has increased due to issue of shares at premium.

Assets

The following discussion compares our financial position as of March 31, 2011, 2010 and 2009.

(₹ in lac)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Fixed Assets (Net Block)	1,300.21	542.84	294.84
Capital Work in progress	278.26	29.38	0.00
Investments	170.10	20.10	17.10
Inventory	4,896.38	1,755.64	1,238.69
Sundry Debtors	21,011.38	6,866.18	7,754.25
Cash and Bank balances	779.46	550.33	75.57
Loans and Advances	4,494.47	2,011.38	823.19
Total Assets	32,930.26	11,775.86	10203.65

Fixed Assets

The increase in our fixed assets has been primarily due to additions to the gross block for expanding our manufacturing activities.

Capital Work in Progress

The Capital work in progress are transferred to the gross block as and when the construction and installation of the asset is completed and the asset is put to use.

Investments

As at 31st March, 2011, the Company has invested a sum of ₹ 170.10 Lac, in shares of Janata Sahakari Bank Limited, Nagpur Nagrik Sahakari Bank Ltd, Shamrao Vitthal Co-oprative Bank and units of SBI Mutual Fund.

Inventory

A major portion of the Company's inventory over the years is represented by raw materials i.e Continuous Cast Copper Rod, Electrolytic Tough Pitch Grade Copper Rod, Oxygen Free Copper Rod and Oxygen Free High Conductivity Copper Rods.

Sundry Debtors

The rise in the amount of Sundry debtors in FY 2011 has been on account of our increased focus on export of our products, where we are required to offer higher credit period. Further, the sharp increase in prices of copper in FY 2011 as compared to FY 2010 has also contributed to higher value of debtors outstanding.

Cash and Bank Balance

Our cash and bank balance consist of cash in hand, balance with scheduled banks, Fixed deposit and accrued interest thereon.

Loans and Advances

The following table shows our loans and advances as at the end of the last three financial years.

(₹ In Lacs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Advances (recoverable in cash or in kind or for value to be received)			
Balance of Income Tax	800.00	200.00	55.00
Excise Duty (RG 23 A) Balance	-	-	108.71
Deposits	40.67	19.30	16.39
Other Advance	2,737.14	1,023.20	163.24
Prepaid Expenses	186.66	14.10	22.00
Taxes & Duties Receivable	730.00	754.78	-
Refund of Excise receivable	-	-	363.90
Refund of Sales Tax receivable	-	-	81.80
MAT Credit Receivable	-	-	12.15
Total	4,494.47	2,011.38	823.19

Liabilities and Provisions

The following table sets forth the principal components of our liabilities as of March 31, 2011, 2010 and 2009

(₹ In Lacs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Secured Loans	7,981.86	3,344.97	2,005.19
Unsecured Loans	2,678.37	172.84	632.26
Current Liabilities and Provisions	15,251.18	4,611.64	5,598.06
Total Assets	25,911.41	8,129.46	8,235.51

Secured and Unsecured Loans

The table set forth gives a brief summary of our secured and unsecured loans as of 31st March, 2011, 2010, and 2009.

Particulars	31 st March 2011	31 st March 2010	31 st March 2009
Secured Loans			
a) Cash Credit			
Janata Sahakari Bank Ltd.	-	708.59	357.77
Nagpur Nagrik Sahakari Bank Ltd.	-	-	350.29
State Bank of India	5,839.61	2,600.26	-
Dhanalaxmi Bank Limited	752.04	-	-
Yes Bank Limited	499.69	-	-
Shamrao Vitthal Co-op Bank Ltd.	-	-	1,113.53
Total (a)	7,091.34	3,308.85	1,821.59
b) Vehicle and Equipment loans			
Vehicle Loans	-	-	-
Janata Sahakari Bank Ltd.	21.25	36.12	183.61
Equipment Loans			
State Bank Of India	434.84	-	-
Dhanalaxmi Bank Ltd.	434.44	-	-
Total (b)	890.53	36.12	183.61
Total (a+b)	7,981.86	3,344.97	2,005.19
Unsecured Loans			
Loan from Promoters	548.84	65.41	104.06
Inter Corporate Deposits	2,067.17	43.97	473.88
Sales Tax Deferral Scheme of Maharashtra	60.36	63.47	54.32
TOTAL	2,678.36	172.84	632.26

The increase in the secured loans has been on account of increased working capital requirements of the company following increase in sales.

Share Capital

For details on the capital build up of the Company, refer “Capital Structure” on Page No. 52 of this DRHP.

Financial Year Ended March 31, 2011 Compared to Financial Year Ended March 31, 2010

Sales

The Sales of our Company have increased by 98.30% in fiscal 2011 to ₹ 60,329.22 Lacs from ₹ 30,422.52 Lacs over the same period in the previous year. The Sales of our company include sale of products manufactured by our Company of ₹ 54,695.47 lacs and sale of products traded by our Company of ₹ 5633.75 lacs for the fiscal 2011 as compared to ₹ 28,069.85 lacs and ₹ 2,352.66 lacs respectively in the fiscal year 2010. About 55% of our sales is on account of exports. As per March 31, 2011 audited financial statements the exports sales have gone up by more than 3 times over the previous year on account of our enhanced focus on exports and also on account of higher copper price in the international market.

Other income

The other income of our Company increased by 982.30% in fiscal 2011 to ₹ 762.13 lacs from ₹ 70.41 lacs in fiscal 2010. This included an income of ₹ 664.21 lacs on account of exchange rate difference.

Expenditure

The total expenditure of our Company has increased by 107.54% in fiscal 2011 to ₹ 60,689.62 lacs from ₹ 29,242.04 lacs over the same period in the previous year. The total expenditure our Company consists of cost of raw materials, cost of traded goods, manufacturing expenses, payment to employees and administrative costs and selling expenses, financial expenses and depreciation. The rise in expenditure is in line with the overall rise in the business operations of the company.

Raw Material Consumed

The cost of raw material of our Company has increased by 110.01% in fiscal 2011 to ₹ 52,673.50 lacs from ₹ 25,081.06 lacs over the same period in the previous year. The rise in raw material costs is in line with increase in our sales and is also attributable to the increase in copper prices.

Manufacturing Expenses

The manufacturing expenses of our Company have increased by 137.32% in fiscal 2011 to ₹ 476.15 lacs from ₹ 200.64 lacs over the same period in the previous year. The manufacturing expenses as a percentage of our total income marginally increased from 0.66% to 0.74%.

Payment to Employees

The employee cost of our Company have increased by 41.47% in fiscal 2011 to ₹ 102.28 lacs from ₹ 72.30 lacs over the same period in the previous year. However, as percentage of total income, employee costs have dropped from 0.24% to 0.16% indicating better utilization of manpower.

Administrative and Selling Expenses

The administrative and selling expenses of our company have decreased by 13.77 % in fiscal 2011 to ₹ 650.92 lacs from ₹ 754.86 lacs over the same period in the previous year. This is mainly on account of re-grouping of certain expenses.

Finance Expenses

The financial expenses of our Company have increased by 74.68 % in fiscal 2011 to ₹ 1130.88 lacs from ₹ 647.41 lacs, over the same period in the previous year, primarily on account of increase in secured loans availed by our company in fiscal 2011.

Depreciation

The depreciation of our company have increased by 28.97 % in fiscal 2011 to ₹ 219.93 lacs from ₹ 170.52 lacs over the same period in the previous year, primarily on account of capital expenditure incurred resulting in increase in fixed assets of our Company.

Profit after taxes

The Profit after taxes of our Company have increased by 201.73 % in fiscal 2011 to ₹ 3,028.34 lacs from ₹ 1,003.66 lacs over the same period in the previous year. In terms of percentage of total income, net profit margins have increased from 3.29% to 4.69%, indicating higher value addition. Also, the Other Income was higher on account of forex gain of ₹ 664.21 lacs during the FY 2011.

Financial Year Ended March 31, 2010 Compared to Financial Year Ended March 31, 2009

Sales

The Sales of our Company has increased by 32.50% in fiscal 2010 to ₹ 30,422.52 Lacs from ₹ 22,959.74 lacs over the same period in the previous year. The Sales of our Company include sale of products manufactured by the Company of ₹ 28,069.85 lacs and sale of products traded by the Company of ₹ 2,352.66 lacs for the fiscal 2010 as compared to ₹ 22,959.74 lacs and ₹ nil respectively for the financial year ended 2009.

Other income

The other income of our company increased by 1287.75% in fiscal 2010 to ₹ 70.41 lacs or from ₹ 5.07 lacs over the same period in the previous year. The increase was on account of discount received and in terms of percentage, it was higher on account of the low base in FY 2009.

Expenditure

The total expenditure of our company has increased by 33.32% in fiscal 2010 to ₹ 29242.04 lacs from ₹ 21933.02 lacs over the same period in the previous year. The same consists of cost of raw materials, cost of traded goods, manufacturing expenses, payment to employees, administrative and selling expenses, financial expenses and depreciation. In terms of percentage to total income, the expenditure has increased from 92.85% in FY 2009 to 93.24% in FY 2010. This is mainly on account of cost of raw material and cost of traded products together accounting for 89.88% of our total income in FY 2010, as against 88.91% in FY 2009

Raw Material Consumed

The cost of raw material of our Company has increased by 22.61% in fiscal 2010 to ₹ 25,081.06 lacs from ₹ 20456.70 lacs over the same period in the previous year.

Manufacturing Expenses

The manufacturing expenses of our company have decreased by 48.63% in fiscal 2010 to ₹ 200.64 lacs from ₹ 390.59 lacs over the same period in the previous year. This is mainly on account of re-grouping of certain expenses.

Payment to Employees

The employee cost of our Company has increased by 14.55% in fiscal 2010 to ₹ 72.30 lacs from ₹ 63.11 lacs over the same period in the previous year. As percentage to total income, the employee expenditure is lower at 0.24% in FY 2011 as compared to 0.27% in FY 2010, indicating improved utilization of manpower.

Administrative and Selling Expenses

The administrative and selling expenses of our Company have increased by 66.63 % in fiscal 2010 to ₹ 754.86 lacs from ₹ 453.01 lacs over the same period in the previous year. The increase in selling expenses is partially attributable to increased focus on exports of our products.

Finance Expenses

The financial expenses of our Company have increased by 24.22 % in fiscal 2010 to ₹ 647.41 lacs from ₹ 521.18 lacs over the same period in the previous year, primarily on account of increase in secured loan availed by our Company.

Depreciation

The depreciation on fixed assets of our company have increased by 252.03 % in fiscal 2010 to ₹ 170.52 lacs from ₹ 48.44 lacs over the same period in the previous year. The increase is on account of addition to fixed assets during FY 2010 which increased from ₹ 500.54 lacs in FY 2009 to ₹ 919.16 lacs in FY 2010.

Profit after taxes

The Profit after taxes of our Company has increased by 17.84 % in fiscal 2010 to ₹ 1,003.66 lacs from ₹ 851.72 lacs over the same period in the previous year. In terms of percentage to total income, the profit after tax has dropped from 3.70% in FY 2009 to 3.29% in FY 2010.

Financial Year Ended March 31, 2009 Compared to Financial Year Ended March 31, 2008

Sales

The Sales of our Company has increased by 124.93% in fiscal 2009 to ₹ 22,959.74 Lacs from ₹ 10,207.73 lacs over the same period in the previous year. The Sales are generated from manufacturing activities of our company, Sale of products manufactured by the Company of ₹ 22,959.74 lacs for the fiscal 2009 as compared to ₹ 10,207.73 lacs financial year ended 2008.

Other income

The other income of our Company income decreased in fiscal 2009 to ₹ 5.07 lacs from ₹ 16.58 lacs over the same period in the previous year.

Expenditure

The total expenditure of our Company has increased by 124.06% in fiscal 2009 to ₹ 21,933.02 lacs from ₹ 9,789.09 lacs over the same period in the previous year. The total expenditure our Company consists of cost of raw materials, manufacturing expenses, payment to employees, administrative and selling expenses, financial expenses and depreciation. The increase is in line with the increase in our turnover and in terms of percentage to total income, expenditure for FY 2009 dropped marginally to 95.33% from 95.79% in FY 2008.

Raw Material Consumed

The cost of raw material of our Company has increased by 122.89% in fiscal 2009 to ₹ 20,456.70 lacs from ₹ 9178.14 lacs over the same period in the previous year. The increase in raw material costs is in line with our increase in Sales and in terms of percentage to total income, it dropped marginally from 89.81% in FY 2008 to 88.91% in FY 2009.

Manufacturing Expenses

The manufacturing expenses of our Company have increased by 127.38% in fiscal 2009 to ₹ 390.59 lacs from ₹ 171.78 lacs over the same period in the previous year. This is mainly on account of re-grouping of certain expenses.

Payment to Employees

The employee cost of our Company have increased by 48.60% in fiscal 2009 to ₹ 63.11 lacs from ₹ 42.47 lacs over the same period in the previous year.

Administrative and Selling Expenses

The administrative and selling expenses of our Company have increased by 78.84 % in fiscal 2009 to ₹ 453.01 lacs from ₹ 253.30 lacs over the same period in the previous year. The rise is in line with the increase in business volumes.

Finance Expenses

The financial expenses of our Company have increased by 370.42% in fiscal 2009 to ₹ 521.18 lacs from ₹ 110.79 lacs over the same period in the previous year, primarily on account of significant rise in loans availed by us, which increased from ₹ 1513.51 lacs in FY 2008 to ₹ 7754.25 lacs in FY 2009.

Depreciation

The depreciation of our Company has increased by 48.54 % in fiscal 2009 to ₹ 48.44 lacs from ₹ 32.61 lacs over the same period in the previous year. The increase is on account of addition to fixed assets during FY 2009.

Profit after taxes

The Profit after taxes of our Company have increased by 128.11 % in fiscal 2009 to ₹ 851.72 lacs from ₹ 373.38 lacs over the same period in the previous year. In terms of percentage to total income, our net profit margin increased from 3.65% to 3.70% in FY 2009 over FY 2008.

Analysis of Certain changes

Unusual or infrequent events or transactions

There are no unusual or infrequent events or transactions that have significantly affected our business.

Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations except for changes in government policies including changes in tax structure. As mentioned earlier, we deal in copper wires and allied products and as such our business is subject to the volatility in copper prices, which is a globally traded commodity and whose prices are determined by international demand and supply.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

There are no known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations except as described in the Section titled "Risk Factors" on Page No. 13 and in "Management's Discussion and Analysis of financial condition and results of operations" appearing on Page No. 197 of this DRHP, to Company's knowledge.

Future changes in relationship between costs and revenues

Other than as described in the Section titled "Business Overview" beginning on Page No. 107 of this DRHP, there are to our knowledge no known factors which would have a material adverse impact on the relationship between costs and income of our Company.

Increases in Sales or revenue and Introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of Copper wire products to be sold by our Company. Other than as described in this DRHP regarding our Proposed Project for manufacture of Wires and Cables and Insulated Copper Strips, we do not propose to introduce any new products or business segment, at present.

Total turnover of each major industry segment in which Our Company operated

Our Company operates significantly in only one Industry Segment i.e. Copper wires and allied products. *For details, please refer to Section titled “Business Overview” on Page No. 107 of this DRHP.*

Status of any publicly announced New Products or Business Segment

We have not announced any new products or business Segment.

Seasonality of business

Business of our Company is not seasonal.

Dependence on a single or few suppliers or customers

We are dependent on a few suppliers for our requirement of copper rods which is the main raw material for our products. We procure our raw materials, domestically, from major Indian copper manufacturers, while import is through a handful of global indenting agents. Having been in this industry for over 15 years, we have gained expertise in sourcing of raw material from domestic and overseas suppliers, on a timely basis to meet our production and sales requirements.

The Company generates its sales from a few customers, thereby placing heavy reliance on them for sourcing orders. In respect of our exports, we are dependent on a few customers in a few countries. This is on account of the nature of our products, where supply to end user is largely routed through indenting agents. Apart from U.K and Sri Lanka, where we sell to clients directly, our exports to Singapore and Hong Kong are to indenting agents.

Competitive conditions

There are a number of players who operate in the same or similar product lines as ours. However, our products find application in segments which are witnessing significant growth and as such market for our products is growing. We believe that on account of our competitive strengths we are well positioned to maintain our position in the sector in which we operate.

Liquidity and Capital Resources

The primary liquidity requirements are to finance the working capital needs and capital expenditure. The requirement of working capital is to finance the purchase of raw material, make necessary advance to suppliers, undertake manufacturing activities and supply goods on credit to customers. To fund these costs, we have relied on equity share capital, short-term and long-term borrowings, including working capital financing, term loans and internal generation.

Cash Flow Position

The following table summarizes our cash flows for the fiscal 2011, 2010 and 2009:

(₹ In Lacs)

Particulars	March 31		
	2011	2010	2009
Net cash from Operating Activities	(4,995.87)	(210.68)	(913.79)
Net cash generated from Investing Activities	(1,376.18)	(450.74)	(85.60)
Net cash from Financing Activities	6,601.18	1,136.19	1,051.89
Net Increase / (Decrease) in Cash and Cash Equivalents	229.13	474.77	52.50

Operating Activities

Our operations resulted in Net cash outflow of ₹ 4,995.87 lacs, ₹ 210.68 lacs and ₹ 913.79 lacs in the financial year 2010-11, 2009-10 and 2008-09 respectively. This was mainly on account of our company providing extended credit period to export customers, in order to penetrate the overseas markets and significant rise in advances paid to our suppliers.

Investing Activities

Net cash outflow in Investing Activities was ₹ 1,376.18 lacs, ₹ 450.74 lacs and ₹ 85.60 lacs respectively in the financial year 2010-11, 2009-10 and 2008-09 respectively. This was mainly due to purchase of fixed assets and increase in investments.

Financing Activities

Net cash inflow from financing activities was ₹ 6,601.18 lacs, ₹ 1,136.19 lacs and ₹ 1,051 lacs in the financial year 2010-11, 2009-10 and 2008-09 respectively. This was mainly due to significant increase in secured and unsecured loans.

SECTION VIII - LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATIONS, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES

Except as stated in this DRHP, there is no outstanding or pending litigation, suit, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Part I of Schedule XIII of the Companies Act) or litigation for tax liabilities against our Company, our Directors or our Promoters or companies promoted by our Promoters and there are no defaults to banks/financial institutions, non-payment of or overdue statutory dues, or dues towards holders of any debentures, bonds and fixed deposits and arrears of preference shares, other unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters or Directors. Further, except as stated in this DRHP, there are no past cases in which penalties have been imposed on our Company or our Promoters, Directors or companies promoted by the Promoters by concerned authorities, and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company.

Neither our Company nor its Promoters, members of the Promoter Group, Subsidiary, associates and Directors have been declared as wilful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

A) LITIGATION AGAINST OUR COMPANY

Civil cases

I. Cases filed against our Company

NIL

II. Cases filed by our Company

NIL

Claims and notices from statutory authorities

NIL

B) LITIGATION INVOLVING PROMOTERS/DIRECTORS

Criminal Cases

I. Cases filed against Promoters/Directors

NIL

II. Cases filed by the Promoter

NIL

Civil Cases

I. Cases filed against Promoters/Directors

NIL

II. Cases filed by Promoters/Directors

NIL

C) LITIGATION INVOLVING THE GROUP COMPANIES

Civil cases

III. Cases filed against the Group Company

NIL

IV. Cases filed by the Group Company

NIL

C) PENALTIES IMPOSED IN PAST CASES

Other than the penalties mentioned below, no penalty has been levied on our Company in last 5 (five) years: -

- (a) As per a Notice of Demand dated November 30, 2010 issued under section 156 of the Income Tax Act, 1961, an amount of ₹ 45.99 Lac is to be added to the income of the Company for the Assessment Year 2008 – 2009. However, since the Minimum Alternate Tax (MAT) liability was more than the tax on normal income, the MAT credit available with the Company was reduced to that extent and no amount was made payable under the abovementioned notice. Further as per the said notice a penalty show cause notice under section 271 (1) (c) of the Income Tax Act, 1961 was to be issued. However, as on the date of this DRHP, no such notice has been received by the Company;
- (b) On March 4, 2011 a survey was conducted in our Company premises under section 133A of the Income Tax Act, 1961. Subsequently, a summons was issued to the Company to appear before the Deputy Commissioner of Income Tax. Our representatives appeared before the said authority from time to time and explanation was placed on record. Subsequently, a declaration of ₹ 600.00 Lac was made to overcome possible discrepancies of valuation/quantification in stocks. Consequently, the last installment of advance tax payment was increased to ₹ 4,500.00 Lac. As on the date of this DRHP, there are no penalty proceedings issued against our Company pertaining to this matter.
- (c) A complaint under section 162 of the Companies Act, 1956 was filed in the Hon'ble Court of Chief Judicial Magistrate at Pune for failure of the Company to file a return as required under section 159/161 of the Companies Act, 1956 for the year 2002-03, against the Company and our Promoters. Our Company and the Promoters pleaded guilty to the same and were subjected to a fine of ₹ 1,500/- (Rupees Fifteen Hundred only), which was duly paid on February 9, 2007.

D) AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS

We cannot ascertain whether our creditors to whom certain amounts are owed by us are considered to be small scale undertaking since we have not received any intimation from them pertaining to the same.

Material developments occurring after the last Balance Sheet Date

Except as disclosed in the section title “Management Discussion and Analysis of Financial Conditions and Results of Operations” at page No. 197 there are no material developments which would affect the business and operations of our Company.

Adverse Events

There has been no adverse event affecting the operations of our Company, occurring within one year prior to the date of filing of the DRHP with SEBI.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Except for certain pending approvals mentioned under this heading, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. Further, except as mentioned herein below, our Company has not yet applied for any licenses, consents, permissions and approvals for the proposed activities as contained in the *Section titled “Objects of the Issue” beginning on page 64 of the DRHP*. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this DRHP.

APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT OUR BUSINESS

Sr. No.	Nature of Registration/License	Registration /License No.	Issuing Authority	Date of Issue	Date of Expiry
Constitutional Registration					
1.	Certificate of Incorporation	11-58307	Additional Registrar of Companies, Pune	September 26, 1990	N/a
2.	Fresh Certificate of Incorporation consequent upon change of name from “Duplex Wires Private Limited” to “Duplex Industries private Limited”	11-58307	Registrar of Companies, Maharashtra, Pune	May 23, 2011	N/a
3.	Fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company	11-58307	Registrar of Companies, Maharashtra, Pune	June 28, 2011	N/a
Taxation Registration					
1.	Tax Deduction Account Number	PNED00954C	Income Tax Department	October 24, 2007	N/a
2.	Permanent Account Number	AAACD6322M	Commissioner of Income Tax	September 26, 1990	N/a
3.	Tax Payer Identification Number	27690001848 C	Sales Tax Department, Maharashtra	April 1, 2006	N/a
Other Approvals (Company)					
1.	Certificate of Importer-Exporter Code (IEC)	3195002116	Regional Joint Director General of Foreign Trade	October 25, 2010	N/a
2.	Registration under the Bombay Shops and Establishments Act, 1948	PN 0102853	Shops Inspector	December 30, 2010	December 2012
Other Approvals (Kirkumbh Unit)					
1.	Consent to Operate under the Pollution Control Laws for manufacture of Coated Copper Wire	BO/PCI-II/721-2007/R/CC-520	Maharashtra Pollution Control Board	April 18, 2007	December 31, 2011
2.	Central Excise Registration Certificate	AAACD6322MXM001	Deputy/Assistant Commissioner of Central Excise	September 24, 2010	N/a
3.	Registration with the Employees’ Provident Fund Organisation	MH/PUN/123506	Regional Provident Fund, Commissioner, Pune	February 22, 2007	N/a

4.	Factories License	081010	Inspector, Industrial Safety and Health, Maharashtra Government	April 20, 1998	December 31, 2012
Other Approvals (Parwanoo Unit – Khasra No. 372/1)					
1.	Consent to operate/establish under the Pollution Control Laws	NO/PCB/EE(PWN)/(1253)05-233-35	Himachal Pradesh State Pollution Control Board	June 4, 2010	March 31, 2013
2.	Registration as an Industrial Unit	SWCA/PWN/(PMT Regn.) – 465	Office of member Secretary, Department of Industries, Himachal Pradesh	June 5, 2006	--
3.	Registration under the Employees State Insurance Corporation	14000327190000506/1570	Regional Office, Employees State Insurance Corporation	Mat 24, 2010	--
Other Approvals (Parwanoo Unit – Khasra No. 753 – 754)					
1.	Registration as an Industrial Unit	SWCA/PWN/302	Single Window Clearance Agency, Department of Industries, Himachal Pradesh	February 2, 2011	--

APPROVALS/LICENSES/PERMISSIONS APPLIED FOR

In addition to the above, following are the licenses/approvals/registrations that our Company has applied for but not procured as on the date of this DRHP: -

Sr. No.	Nature of Registration/ License	Unit	Date of Application	Issuing Authority
1.	License to work a factory	Silvassa	July 19, 2011	Directorate of Industries
2.	License to operate a unit	Silvassa	July 19, 2011	Directorate of Industries
3.	License to work a factory (renewal)	Parwanoo Unit - II	October 21, 2010	Labour Department, Government of Himachal Pradesh

APPROVALS/LICENSES/PERMISSIONS FOR THE OBJECTS OF THE ISSUE

The Government and other approvals/licenses/registrations requisite for attainments of the Objects of the Issue will be applied for in due course.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board resolution was passed on July 01, 2011 and the shareholders of our Company have approved this Issue under section 81 (1A) of the Companies Act, 1956 *vide* a Special Resolution passed at our Company's Annual General Meeting held on July 14, 2011.

The Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or RBI

Our Company, our Directors, our Promoter, the Group Companies, companies promoted by or Promoters and companies or entities with which our Company's Directors are associated as Directors / Promoters have not 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. The listing of any securities of our Company has never been refused at anytime by any of the Stock Exchange in India. Our Company, our Promoter, their relatives, Group Companies has not been detained as wilful defaulters by RBI/government authorities and there are no violations of securities laws committed by them in the past or pending against them.

None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI (ICDR) Regulations, 2009 as explained under, with the eligibility criteria calculated in accordance with Restated Financial Statements:

- a) Our Company has net tangible assets of at least ₹ 300 Lac in each of the preceding 3 full years, of which not more than 50% are held as monetary assets.

(₹ in Lac)

Particulars	Year Ended March 31		
	2011	2010	2009
Total Assets	32,930.26	11,775.86	10,203.64
Less: Current Liabilities & provisions	26,004.22	8142.80	8,249.97
Net Tangible Assets*	6,926.04	3,633.06	1,953.67
Monetary Assets	779.46	550.33	75.57

* Net tangible assets are defined comprise of all tangible assets less current liabilities and provisions (excluding deferred tax liability but including working capital loan). Monetary assets comprise of cash and bank balances with banks in current accounts and deposit account.

- b) Our Company has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least three (3) out of immediately preceding five (5) years.

(₹ In Lac)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
Net Profit after tax, as restated	3,028.34	1,003.66	851.72	373.38	214.63

- c) Our Company has a Net Worth of at least ₹ 100 Lac in each of the preceding 3 full years (of 12 months each).
(₹ In Lac)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Equity Share Capital	2,000.00	862.19	693.26
Reserves & Surplus	4,926.04	2,770.87	1,260.41
Less: Debit balance in profit & loss a/c	-	-	-
Less: Misc Exp.	-	-	-
Net Worth	6,926.04	3,633.06	1,953.67

- d) Our Company shall ensure that the aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e. public issue by way of offer document + firm allotment + Promoters' contribution through the offer document) does not exceed five (5) times our pre- issue net worth as per the audited balance sheet of the last financial year.
- e) Except as stated otherwise in this DRHP, there has not been any change in the name of our Company since inception.

Further, if the number of allottees in the proposed Issue is less than 1,000 allottees, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company shall pay interest at the rate of 15% per annum for the delayed period.

Disclaimer Clauses

SEBI 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 TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS 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, ARIHANT CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 2, 2011 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, IT'S 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 AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - a) **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THIS ISSUE;**
 - b) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - c) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE (AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **WE CONFIRM THAT BESIDES OURSELF, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE HAVE SATISFIED OURSELF ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**
7. **WE CERTIFY THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 ARE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SECURITIES AND EXCHANGE BOARD OF INDIA. 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 ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE**

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE SHALL ENSURE 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 ALLOTTED SHARES IN THE DEMAT OR PHYSICAL MODE ONLY. - NOT APPLICABLE
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE 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 ISSUER FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN 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 Section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Disclaimer from the Issuer and the Book Running Lead Manager

Investors may note that our Company and BRLM accept no responsibility for statements made otherwise than in the DRHP or in the advertisement or any other material issued by or at the instance of the Issuer and that any one, placing reliance on any other source of information including our Company's website, www.dupleindustries.com, would be doing so at his own risk.

All information will be made available by the Book Running Lead Manager, Underwriters, Syndicate members and our Company to the public and investors at large and no selective or additional information would be available for any section of the investors in any manner whatsoever including at road shows, presentations, in research or sales reports etc. We shall not be liable to the Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

The BRLM accepts no responsibility save to the limited extent as provided in the Memorandum of Understanding entered into between the BRLM and our Company and the Underwriting Agreement to be entered into between the Underwriters and our Company.

Neither our Company nor the Book Running Lead Manager or any other member of the Syndicate is liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Caution

Investors that bid in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approval to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approval to acquire Equity Shares. Our Company and 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.

The BRLM and its associates and affiliates may engage in transactions with, and perform services for, our Company and Promoter Group Entities, affiliates or associates of our Company in the ordinary course of business and have engaged, and may in future engage, in the provision of financial services for which they have received, and may in future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares) and to NRIs, FIIs and Foreign Venture Capital Funds Registered with

SEBI. The DRHP does not, however, constitute an invitation to subscribe to shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the DRHP comes is required to inform himself or herself about, and to observe any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the DRHP was submitted to SEBI for its observations and SEBI has given its observation. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the DRHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the DRHP 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 (“the Securities Act”) or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), The Equity Shares shall be sold only outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

Disclaimer Clause of the Bombay Stock Exchange Limited

As required, a copy of this DRHP has been submitted to the Bombay Stock Exchange Limited (“the BSE”). The Disclaimer Clause intimated to our Company by the BSE post scrutiny of the DRHP shall be included in the Red Herring Prospectus prior to filing the Red Herring Prospectus with the RoC

Disclaimer Clause of National Stock Exchange of India Limited

As required, a copy of this offer document has been submitted to the National Stock Exchange of India Limited (hereinafter referred to as NSE). The Disclaimer Clause intimated to our Company by the BSE post scrutiny of the DRHP shall be included in the Red Herring Prospectus prior to filing the Red Herring Prospectus with the RoC

Filing

A copy of the DRHP has been filed with the Securities Exchange Board of India at Corporation Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, will be delivered for registration to the RoC and a copy of the Prospectus 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, PMT Building, Pune Stock Exchange, 3rd Floor, Deccan Gymkhana, Pune- 411004 -

Listing

Application will be made to the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited for permission to deal in and for an official quotation of our Equity Shares. Our existing Equity Shares are not listed on any Stock Exchanges in India. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges mentioned above, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the DRHP. If such money is not repaid within eight days after our Company become liable to repay it, i.e., from the date of refusal or within 10 weeks from the date of Bid/ Issue Closing Date, whichever is earlier, then our Company and all our Directors who is an officer, jointly and severally 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.

Our Company with the assistance of the Book Running Lead Manager shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at BSE and NSE are taken within twelve working days of Issue Closing Date. .

Consents

Necessary Consents for the issue have been/will be obtained from the following:

1. Directors of our Company
2. Bankers to our Company
3. Auditors to our Company
4. Book Running Lead Manager to the Issue
5. Legal Advisor to the Issue
6. Auditors to the Issue
7. Registrar to the Issue
8. IPO Grading Agency
9. Company Secretary cum Compliance Officer
10. Syndicate Member(s)
11. Underwriter(s)
12. Escrow Collection Banker(s) to the Issue

The said consents would be filed along with a copy of the Red Herring Prospectus with the Registrar of Companies, Maharashtra, Pune, as required under Sections 60 and 60B of the Companies Act, 1956 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus, for registration with the Registrar of Companies, Maharashtra, Pune.

In accordance with the Companies Act and the SEBI Regulations, M/s. Laxmikant Kabra & Company, Chartered Accountants, our Auditors to the Issue have given their written consent to the inclusion of their report on restated financial statements in the form and context in which it appears in the DRHP and such consent and report has not been withdrawn up to the time of delivery of the DRHP for registration with the RoC.

In accordance with the Companies Act and the SEBI Regulations, Mr. Avinash Jeevan Utgikar, Chartered Accountants, our Company's Statutory Auditors have given their written consent to the inclusion of statement of possible tax benefits which may be available to our Company and its shareholders, which it appears in the DRHP and such consent and report has not been withdrawn up to the time of delivery of the DRHP for registration with the RoC.

[●], the agency engaged by us for the purpose of obtaining IPO Grading in respect of this Issue, has given its written consent to being named as an expert for the purposes of grading of the Issue and to the inclusion of their report in the form and context in which it appears in the Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the Designated Stock Exchange and RoC for registration.

Expert Opinion

M/s Laxmikant Kabra & Company, Chartered Accountants, have provided their written consent for the inclusion of the report on the restated unconsolidated financial statements in the form and context in which it will appear in the DRHP, and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of the DRHP to SEBI.

The report of [●] in respect of IPO Grading of this Issue (a copy of which will be annexed to the Red Herring Prospectus as Annexure I), furnishing the rationale for its grading which will be provided to the Designated Stock Exchange,

Public Issue Expenses

The expenses for this Issue include Issue management fees, IPO Grading Expenses, selling commissions, underwriting commission, printing and distribution expenses, fee payable to other intermediaries, statutory advertisement expenses and listing fees payable to the Stock Exchange, amongst others. The estimated Issue expenses are as under :

Sl. No.	Particulars	Amount (₹ in lacs)	% of total estimated issue expenditure	% of issue size
1.	Fees of the Lead Manager, underwriting, brokerage and selling commission	300	50%	2.40%
2.	Advertising & Marketing expenses, printing & stationery, distribution, postage etc.	150	25%	1.20%
3.	Other expenses (Legal Advisors, Auditors, Grading Agency, Registrars to the Issue, other Advisors, Bankers to the Issue, Processing fees of SCSBs, Fees of SEBI, Stock Exchange, ROC etc.)	125	20.83%	1.00%
4.	Miscellaneous	25	4.17%	0.20%
	Total	600	100.00%	4.80%

Fees payable to the Managers and the Syndicate Members

The total fees payable to the Managers and the Syndicate Members (including underwriting commission and selling commission) will be as stated in the engagement letter dated April 20, 2011, between our Company and the BRLM, a copy of which will be made available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Closing Date.

Fees payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of applications, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated July 27, 2011. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

IPO grading

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

A copy of the report provided by [●], will be made available for inspection at our Registered Office. This grading expires within [●] from the date of the report. The rationale for the Grade assigned to our Company's IPO by [●], has been set out in its report. A summary of the rationale for the grading assigned by [●] in its report is reproduced below:

Summary of rationale for grading by the IPO Grading Agency

[●]

Disclaimer of IPO Grading Agency

[●]

Previous Public or Rights Issues in the last 5 years

Our Company has not made any public or rights issue of Equity Shares/Debentures in the last 5 years.

Previous Issue of Shares otherwise than for Cash

Our Company has not issued any Equity Shares for consideration other than cash except as mentioned in the Chapter titled “Capital Structure” beginning on page 52 of the DRHP.

Underwriting commission or Brokerage and selling commission on Previous Issues

There has been no public issue of the Equity Shares in the past. Thus, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares of our Company since inception.

Details of capital issue made during last three years in regard to the issuer company and other listed companies under the same management within the meaning of section 370(1)(B) of the Companies Act, 1956.

There have been no capital issue during last 3 years by us. *Except as stated in the section titled “Our Promoters and Group Companies” beginning on page no 155 of this DRHP, there are no other listed companies under the same management within the meaning of Sec 370(1)(B) of the Act at present or during the last 3 (three) years.*

Promise vis-à-vis Performance – Last 3 issues

Our Company has not made any Public Issue in the past.

Listed ventures of Promoters

There are no listed ventures of our Promoters.

Promise vis-à-vis Performance – Last One Issue of Group Companies

There are no listed ventures of our Promoters.

Outstanding Debentures or Bonds or Redeemable Preference shares

There are no outstanding debentures or bonds or redeemable preference shares and other instruments outstanding as on the date of filing of the DRHP.

Stock Market Data

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for redressal of Investors’ grievance

The agreement between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of letters of allotment, demat credit, 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, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed either (i) the concerned member of the Syndicate, in the event of a Bid submitted by an ASBA Bider at any of the Syndicate ASBA Centers or (ii) SCSB or the Syndicate/Sub-syndicate member, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB or Syndicate/Sub-syndicate member where the ASBA Form was submitted by the ASBA Bidders.

Disposal of Investors' Grievances and Redressal Mechanism

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of Bidders applying through ASBA process for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. Vishwas Chandikar as our Company Secretary and Compliance Officer and he may be contacted in case of any pre issue/post issue related problems at the following address:

Mr. Vishwas G. Chandhaikar
Duplex Industries Limited
CTS No. 712/A, S. No.140 Flat No.2,
Prachi Residency, Bhelkenagar,
Kothrud, Pune - 411 038.
Tel No: +91 20 25382561/62; Fax No: +91-20-25396306
Email: cs@duplexindustries.com; Website: www.duplexindustries.com

Our Company has not received any investor complaints during the three years preceding the filing of the DRHP with SEBI. Further, no investor complaints are pending as on the date of filing the DRHP with SEBI.

Changes in Auditors during the last three years and reasons thereof

In the Extra-ordinary General Meeting of our Company held on January 15, 2011, Mr. Avinash Jeevan Utgikar was appointed as the new auditor of our Company in place of M/s Kishore B. Phadke & Company, who resigned due to their pre-occupation.

Capitalization of Reserves or Profits during last five years

Except as stated in the Chapter titled "*Capital Structure*" beginning on page 52 of the DRHP, our Company has not capitalised its reserves or profits at any time since inception.

Revaluation of Assets during the last five years

There has not been any revaluation of Assets during the last five years.

Other Disclosures

Except as disclosed in the section titled "*Capital Structure*" on page 52 of this DRHP, none of our Directors, Promoters and/or the members of our Promoter Group have purchased or sold any securities of our Company, during a period of six months preceding the date of this DRHP with SEBI.

There have been no financing arrangements whereby our Promoter Group, our Group Companies, Directors and their relatives have financed the purchase by any other person of the Equity Shares other than in the normal course of our business during the period of six months immediately preceding the filing of this DRHP

Except as disclosed in the section "*Outstanding Litigation and Material Developments*" on page 214 of this DRHP, SEBI has not initiated any action against any entity associated with the securities market, with which our Directors are associated.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of the DRHP, the Red Herring Prospectus, the Prospectus, Bid-cum-Application Form, the ASBA form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment. *For further details, please refer to Chapter titled “Main Provisions of Articles of Association” on page 273 of the DRHP.*

Mode of Payment of Dividend

We shall pay dividend to our Shareholders as per the provisions of the Companies Act and our Articles of Association. The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash.

Face Value and Issue Price per Share

The face value of the Equity Shares is ₹ 10 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered by way of Book Building. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws. The Issue Price is [●] times the face value of the Equity Shares.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer 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 Limited Company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, *please refer to Chapter titled “Main Provisions of Articles of Association” on page 273 of the DRHP.*

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 existing SEBI (ICDR) Regulations, 2009, the trading in the Equity Shares shall only be in dematerialised form for all investors.

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allocation and Allotment through this Issue will be done only in electronic form in multiples of one Equity Shares to the successful Bidders subject to a minimum Allotment of [●] Equity Shares. *For details of Allocation and Allotment, please refer to the paragraph titled “Basis of Allotment” beginning on page 265 under Chapter titled “Issue Procedure” beginning on page 235 of the DRHP.*

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 transmitted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the equity share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Bid/Issue Program

The period of operation of subscription list of public issue:

Bid/Issue opens on: [●]	Bid/Issue closes on: [●]
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Our Company in consultation with the BRLM, may decide to close the Bidding for QIBs one day prior to the Bid/Issue Closing Date

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the offer through the offer document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall refund the entire subscription amount received, no later than 70 days from the closure of the Issue. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act, 1956.

If the number of allottees in the proposed Issue is less than 1,000 allottees, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after we become liable to pay the amount, we shall pay interest at the rate of 15% per annum for the delayed period.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Application by Eligible NRIs, FIIs and FVCIs

It is to be distinctly understood that there is no reservation for Eligible NRIs and FIIs or FVCIs. All Non Residents, NRIs, FIIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation. As per existing regulations, OCBs cannot participate in the Issue.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialized form only, the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for (a) the lock-in of the pre-Issue capital of our Company and the Promoters' Contribution as provided in "Capital Structure" on page 52, and (b) otherwise provided in our Articles, as described in "Main Provisions of the Articles of Association" on page 273, there are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting.

However, in terms of the ICDR Regulations, Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment of Equity Shares in the Issue.

Option to Receive Securities in Dematerialized Form

Equity Shares being offered through the DRHP can be applied for and will be allotted in dematerialized form only.

ISSUE STRUCTURE

The present Issue comprising of [●] Equity Shares of ₹ 10 each for cash at price of ₹ [●] (including a premium of ₹ [●]) aggregating to ₹ 12,500 Lac is being made through the 100% Book Building process. Details of the Issue structure are tabulated below:

Particulars	QIBs*	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation#	Not more than [●] Equity Shares.	Not less than [●] Equity Shares or Issue size less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares or Issue size less allocation to QIB Bidders and Non Institutional Bidders.
Percentage of Issue Size available for allocation	Not more than 50% of the Issue Size (of which 5% shall be reserved for Mutual Funds) * However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only.	Not less than 15% of the Issue Size or Issue Size less allocation to QIBs and retail individual bidders *	Not less than 35% of the Issue Size or Issue Size less allocation to QIBs and non institutional bidders *
Basis of Allocation if respective category is over-subscribed**	In the Anchor Investor Portion, up to [●] Equity Shares shall be available for allocation to Anchor Investors on a discretionary basis, out of which one third shall be available for allocation to domestic Mutual Funds only. In the Net QIB Portion, proportionate as follows : (a) upto [●] Equity Shares shall be available for allocation 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 Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 2,00,000/-	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 2,00,000/-.	[●] Equity Shares and in multiples of [●] Equity Shares
Maximum Bid	Not exceeding the size of the Issue, subject to the investment limit applicable to the Bidder	Not exceeding the size of the Issue, subject to the investment limit as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid amount does not exceed ₹ 2,00,000/-.
Mode of Allotment	Dematerialized mode	Dematerialized mode	Dematerialized mode
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.

Particulars	QIBs*	Non Institutional Bidders	Retail Individual Bidders
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter
Trading Lot/Market lot	One (1) Equity Share	One (1) Equity Share	One (1) Equity Share
Who can apply***	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, foreign institutional investor registered with SEBI, multilateral 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 the Insurance Regulatory and Development Authority, provident funds with minimum corpus of ₹ 25,000 Lac and pension funds with minimum corpus of ₹ 25,000 Lac, National Investment Fund in accordance with applicable law and Insurance funds set up and managed by Army, Navy or Air Force of the Union of India and Insurance Funds set-up and managed by the Department of Posts, India	Companies, Corporate Bodies, Scientific Institutions, Societies, Trusts, Resident Indian individuals, HUF (in the name of Karta), NRIs, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals. (applying for an amount exceeding ₹ 2,00,000)	Individuals (including ASBA Bidders, NRIs and HUFs in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.
Terms of payment	SCSB shall block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form other than for the Anchor Investor Portion.	SCSB shall block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.	Amount shall be payable at the time of submission of Bid cum Application Form ##
Margin Amount	Full amount on bidding	Full amount on bidding	Full amount on bidding

**Our Company may allocate upto 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price in accordance with the SEBI (ICDR) Regulations, 2009. At least one-third of the Anchor Investor Portion shall be available for allocation to Domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price. Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors.*

***Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any Category would be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange and subject to applicable provisions of the SEBI (ICDR) Regulations. Investors may note that in case of over-subscription in the Issue, allotment to Bidders in all categories shall be on a proportionate basis.*

****In case the Bid-cum-Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear in the Bid-cum-Application Form.*

In case of Bidders submitting ASBA Bid cum Application Form, the SCSB shall be authorised to block such funds in the bank account of the Bidder that are specified in the ASBA Bid cum Application Form.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserve the right not to proceed with the Issue anytime after the Issue Opening Date but before the Allotment of Equity Shares. In such an event the Company shall issue a public notice in the newspapers (including the reasons for such withdrawal), in which the pre-Issue advertisements were published, within two days of the Issue Closing Date.

Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed and the Managers, through the Registrar to the Issue, shall notify the SCSBs to unblock the accounts of the ASBA Bidders.

If our Company withdraws the Issue after the Issue Closing Date and our Company, thereafter determines that it will proceed with an initial public offering of its Equity Shares, our Company shall file a fresh DRHP with SEBI. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC, after the Prospectus is filed with the RoC.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that all Bidders can participate in the Issue through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all the Non-ASBA Bidders are required to make payment of the full Bid Amount along with the Bid-cum-Application Form and the ASBA Bidders shall instruct the relevant SCSB to block the full Bid Amount along with the application.

*By a Circular dated April 29, 2011 issued by SEBI and bearing no. CIR/CFD/DIL/1/2011, it is now mandatory for all QIB Bidders and Non-Institutional Bidders to apply through the ASBA process only. Further, the Syndicate/ sub-syndicate members shall also accept Bid-cum-Application Forms from all Bidders applying through the ASBA process at Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda and Surat only ("**Specified Centres**"). However, before accepting these ASBA forms syndicate/sub-syndicate members shall satisfy themselves that the SCSBs whose name has been filled in the ASBA form has named a branch in that centre to accept ASBA forms.*

Our Company and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

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 (of which 5% shall be allocated for Mutual Funds). Further, our Company may allocate upto 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis, out of which atleast one-third will be available for allocation to domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price.

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.

All Bidders other than the ASBA Bidders are required to submit their Bids through the Syndicate or their affiliates. ASBA Bidders may submit their Bids either to the Designated Branch of the SCSBs or to the Syndicate Member(s)/sub-syndicate members at the Specified Centres.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid-cum-Application Forms which do not have the details of the Bidders' depository account including the DP ID Numbers, PAN and the beneficiary account number shall be treated as incomplete and rejected.

In case of QIB Bidders, our Company in consultation with the BRLM may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidders in writing. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders can Bid at any price within the Price Band. The Price Band for the Issue will be decided by our Company and Pineridge, in consultation with the Managers, and the Bid Lot for the Issue will be decided by our Company, in consultation with the Managers, and advertised in an English and a Hindi national daily newspaper, each with wide circulation at least two Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price.

Investors should note that Allotment to successful Bidders will be only in the dematerialised form. Bid cum Application Forms or ASBA Bid cum Application Forms which do not have the details of the Bidder's depository accounts including DP ID, PAN and Client ID will be treated as incomplete and rejected. Bidders will not have the option of receiving Allotment in physical form. On Allotment, the Equity Shares will be traded only on the dematerialized segment of the Stock Exchanges.

Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form or the ASBA Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. If the Bid cum Application Form or the ASBA Bid cum Application Form was submitted in joint names, Bidders are required to ensure that the beneficiary accounts are held in the same joint names in the same sequence in which they appeared in the Bid cum Application Form or the ASBA Bid cum Application Form.

Bid-cum-Application Form and ASBA Bid cum Application Form

The prescribed colour of the Bid-cum-Application Form for various categories is as follows:

Category	Colour of Bid-cum-Application Form
Indian Public including QIBs, Non-Institutional Bidders or NRIs applying on a non-repatriation basis (ASBA as well as Non-ASBA)	[●]
Non-residents, NRIs, FIIs or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis (ASBA as well as Non-ASBA)	[●]
Anchor Investors*	[●]

** Bid-cum-Application Forms for Anchor Investors have been made available at the office of the BRLM.*

Copies of the Bid-cum-Application Form and the Red Herring Prospectus will be available for categories of Bidders with the members of the Syndicate and at our Registered office and Corporate Office. Bid-cum Application Forms for Anchor Investors shall be available at the Office of BRLM. Before being issued to Bidders, the Bid-cum-Application Forms must be serially numbered. The ASBA Bid cum Application Form will also be available on the websites of the Stock Exchanges and SCSBs at least one day prior to the Bid/Issue Opening Date and shall bear a unique application number. The BRLM and the SCSBs will provide the hyperlink to BSE or NSE on their websites.

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate, unless they are using the ASBA Process. Before being issued to the Bidders, the Bid cum Application Form shall be serially numbered and date and time stamped and such form shall be issued in duplicate signed by the Bidder. The Bid Cum Application Form and the ASBA Bid cum Application Form shall contain information about the Bidders, the price and the number of Equity Shares Bid for. Bidders shall have the option to make a maximum of three Bids (in terms of number of Equity Shares and respective Bid Amount) in the Bid cum Application Form and such options shall not be considered as multiple Bids. The collection centre of the Syndicate will acknowledge the receipt of the Bid Cum Application Form or Revision Form by stamping the acknowledgment slip and returning it to the Bidder. This acknowledgment slip shall serve as the duplicate of the Bid Cum Application Form for the records of the Bidder and the Bidder shall preserve this and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue.

Upon 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 or to a Designated Branch of the SCSB or in electronic form (through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding), the Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

Bidders can also submit their Bid through the ASBA Bid cum Application Form in physical form either to the Designated Branches of the SCSBs or to any of the members of the Syndicate/ sub-syndicate at the Specified Centers or in electronic form (through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding), authorising the SCSBs to block funds equal to the Bid Amount in the ASBA Accounts.

ASBA Bidders can submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application Form, which shall be stamped, at the relevant Designated Branch. ASBA Bid cum Application Form in physical mode, which shall be stamped, can also be submitted to be members of the Syndicate at Syndicate ASBA Centres. 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 SCSBs or such other electronically enabled mechanism for Bidding and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Bids. The SCSB shall block an amount in the ASBA Account equal to the Payment Amount specified in the ASBA Bid cum Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the SCSB or to the members of the Syndicate, 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 Bid-cum-Application Form shall contain information about the Bidder and the price and number of Equity Shares that the Bidder wishes to Bid for. Bidders shall have the option to make a maximum of three Bids in the Bid-cum-Application Form and such options shall not be considered multiple Bids.

Category of Bidder	Mode of Bidding	Application Form to be used for bidding	To whom the application form has to be submitted
Retail Individual Bidders and Eligible Employees	Either (i) ASBA or (ii) Non-ASBA	(i) If Bidding through ASBA, ASBA form (physical or electronic) or; (ii) If Bidding through Non-ASBA, Bid-cum-Application Form	(i) If using physical ASBA Form, to the members of the Syndicate only at Syndicate ASBA Centres; or (ii) If using physical ASBA Form, to the Designated Branches of the SCSBs where the SCSB account is maintained; or (iii) If using electronic ASBA Form, to the SCSBs, electronically through internet banking facility, where the SCSB account is maintained; or (iv) If using Bid cum Application Form, to the members of the Syndicate at the Bidding Centres.

Non-Institutional Bidders and QIBs (excluding Anchor Investors)	ASBA (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	ASBA Form (physical or electronic)	(i) If using physical ASBA Form, to the members of the Syndicate only at Syndicate ASBA Centre; or (ii) If using physical ASBA Form, to the Designated Branches of the SCSBs where the SCSB account is maintained; or (iii) If using electronic ASBA Form, to the SCSBs, electronically through internet banking facility, where the SCSB account is maintained.
Anchor Investors	Non-ASBA	Bid cum Application Form	To the members of the Syndicate at the Bidding centres

Who can Bid?

- Any person eligible to invest under all applicable laws, rules, regulations and guidelines;
- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, in single or joint names (not more than three);
- 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 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, cooperative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual bidding in the QIB portion;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category.
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Funds registered with SEBI;
- Multilateral and bilateral development financial institutions;

- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 2,500 Lac and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 2,500 Lac and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution F. No. 2/3/2005 – DDII dated November 23, 2005, by the GoI, published in the gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India; and
- Insurance funds set-up and managed by the Department of Posts, India.

As per the existing regulations, OCBs cannot participate in this Issue.

Participation by associates and affiliates of the BRLM and the Syndicate Members

The BRLM and the Syndicate Members shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis. Such holding or subscription may be on their behalf or on behalf of their clients.

The BRLM, the Syndicate Members, the Promoters, the Promoter Group and any persons related to the BRLM and/or Syndicate Members cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

As per the ICDR Regulations, at least one third of the Anchor Investor Portion will be available for allocation on a discretionary basis to domestic Mutual Funds and 5% of the Net QIB Portion is reserved for allocation to Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion.

In the event that the demand is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by 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 other 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.

As per the existing regulations, no mutual fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which application is being made.

Bids by Non Residents including Eligible NRIs, FIIs registered with SEBI, VCFs and FVCI

There is no reservation for Eligible NRIs or FIIs or FVCIs registered with SEBI. Such Eligible NRIs, FIIs and FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation. As per the existing regulations, OCBs cannot participate in this Issue.

Bids by Eligible NRIs

1. Bid-cum-Application Forms have been made available for Eligible NRIs at the Registered Office and with the members of the Syndicate.
2. Eligible NRIs applicants should note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts should use the Bid cum Application form meant for Resident Indians (White 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 paid-up share 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 24% of our total post paid-up share capital

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 (the "SEBI FII Regulations"), an FII, as defined in the SEBI FII Regulations, deal or hold, offshore derivative instruments (as defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by a FII against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client's norms. An FII is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the BRLM and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such Offshore Derivative Instrument does not constitute any obligation or claim or claim on or an interest in, our Company.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form or the ASBA Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form or the ASBA Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “**IRDA Investment Regulations**”), are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
- (c) the industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of ULIPS).

Bids by provident funds/ pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 Lac, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Funds

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital Funds) Regulations, 1996 and SEBI (Foreign Venture Capital Investor) Regulations, 2000 *inter alia* prescribe the following investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI:

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. 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.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and 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 Red Herring Prospectus.

Bids by Anchor Investors

Our Company may, in consultation with BRLM consider participation by Anchor Investors in the QIB Portion for up to 30% of the QIB Portion in accordance with the SEBI ICDR Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI ICDR Regulations are eligible to invest. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. In accordance with the SEBI ICDR Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- (a) Anchor Investors shall be QIBs as defined in the ICDR Regulations.
- (b) Anchor Investors Bid-cum-Application Forms will be made available for the Anchor Investor Portion at our Registered Office, and with the members of the Syndicate.
- (c) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 1,000 Lac. A Bid cannot be submitted for more than 30% of the QIB Portion. In case of a Mutual Fund registered with SEBI, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 1,000 Lac.
- (d) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds.
- (e) The Bidding for Anchor Investors shall open one day before the Bid/Offer Opening Date and shall be completed on the same day.
- (f) Our Company, in consultation with the BRLM, shall finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion shall not be less than:
 - two, where the allocation under Anchor Investor Portion is up to ₹ 25,000 Lac; and
 - five, where the allocation under Anchor Investor Portion is over ₹ 25,000 Lac.
- (g) Allocation to Anchor Investors shall be completed on the Anchor Investor Bidding Date. 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.
- (h) Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.
- (i) In the event the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price shall be paid by the Anchor Investors by the Pay-in-Date. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the higher price i.e. the Anchor Investor Issue Price.
- (j) The Equity Shares Allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- (k) Neither the BRLM nor any person nor any person related to the promoter/promoter group/BRLM, shall participate in the Anchor Investor Portion. The parameters for selection of the Anchor Investors shall be clearly identified by the BRLM and shall be made available as part of the records of the BRLM for inspection by SEBI.
- (l) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- (m) The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - In case of Resident Anchor Investors: “Escrow Account- [•]- Anchor Investor-R”
 - In case of Non- Resident Anchor Investors: “Escrow Account- [•]- Anchor Investor-NR”

Additional details, if any, regarding participation in the Issue under the Anchor Investor Portion shall be disclosed in the advertisement for the Price Band which shall be published by our Company in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation at least two working days prior to the Bid/Issue Opening Date.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lac (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lac a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/or bye laws must be lodged with the Bid-cum-Application Form. 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 therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to Bids by FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid-cum-Application Form.
- (b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Bid-cum-Application Form.
- (c) With respect to Bids made by provident funds with minimum corpus of ₹ 2,500 Lac (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lac, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid-cum-Application Form.

Our Company in their 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.

The above information is given for the benefit of the Bidders. Our Company and the BRLM is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Bid Size

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2,00,000. In case the Bid Amount is over ₹ 2,00,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off Price option, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off Price option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs excluding Anchor Investors):** The Bid must be for a minimum of such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under the SEBI Regulations, a **QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date. If the Bid/Issue Period for QIBs shall close one day prior to the Bid/Issue Closing Date, QIBs are not allowed to withdraw their Bids after [●], i.e., one Working Day prior to the Bid/Issue Closing Date.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to ₹ 2,00,000 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 Price”.

- (c) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 1,000 Lac 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 cannot be submitted for more than 30% of the QIB Portion under the Anchor Investor Portion. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period and are required to pay the entire Bid Amount at the time of submission of the Bid. Provided that any difference between the price at which allocation is being done to the Anchor Investors and Anchor Investor Issue Price, shall be payable by the Pay-in Date. If the Issue Price is greater than the price at which allocation is being done to the Anchor Investors, the additional amount being the difference, shall be paid by the Anchor Investor. If the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the price at which allocation is being done to the Anchor Investors.**

The maximum and minimum Bid size applicable to a QIB, Retail Individual Bidder or a Non-Institutional Bidder shall be applicable to an ASBA Bidder in accordance with the category that such ASBA Bidder falls under.

Bidders are advised to make independent enquiries and ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this DRHP.

Information for the Bidders:

- (a) Subject to Section 66 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the Registrar of Companies, publish pre-Issue advertisement, in the form prescribed under the SEBI Regulations, in two national daily newspapers (one each in English and Hindi) and one regional language daily newspaper, each with wide circulation. In the pre-issue advertisement, our Company and the BRLM shall declare the Issue Opening Date and Issue Closing Date. This advertisement, subject to the provisions of Section 66 of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- (b) Our Company will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.
- (c) Copies of the Bid-cum-Application Form and copies of the Red Herring Prospectus will be available with the Syndicate. The SCSBs shall ensure that the abridged prospectus is made available on their websites.
- (d) Eligible Bidders who are interested in subscribing for the Equity Shares should approach BRLM or any of the Syndicate Members or their authorised agent(s) or to the Designated Branches of the SCSBs to register their Bids.
- (e) Any Bidders (who is eligible to invest in the 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, Corporate Office and from the BRLM and the members of the syndicate.

- (f) The Bids should be submitted on the prescribed Bid-cum-Application Form only. Bids by ASBA Bidders shall be accepted by the Designated Branches of the SCSBs or to the Syndicate Member(s)/sub-syndicate members at the Specified Centres in accordance with the SEBI Regulations and any circulars issued by SEBI in this regard. Bid cum Application Forms (except electronic ASBA Bid cum Application Forms) which do not bear the stamp of a member of the Syndicate or the Designated Branch are liable to be rejected.
- (g) The Syndicate (in accordance with the terms of the Syndicate Agreement) and the Designated Branches will accept Bids during the Bidding Period in accordance with the terms of the Red Herring Prospectus.
- (h) With effect from August 16, 2010, the demat accounts of Bidders for whom PAN details have not been verified shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in an English and a Hindi national daily newspaper, each with wide circulation and also by indicating the change on the websites of the Managers and at the terminals of the members of the Syndicate.

Bidders may note that in case the DP ID and Client ID and PAN mentioned in the Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate do not match with the DP ID and Client ID and PAN available in the Settlement Depository database, the application is liable to be rejected.

Bidders are advised not to submit the Bid cum Application Form to Escrow Collection Banks and the same will be rejected in such cases and the Bidders will not be entitled to any compensation whatsoever.

The 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.

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.

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. With respect to ASBA Bidders, the ASBA Form or the ASBA Revision Form may be submitted to the Designated Branches of the SCSBs or to the Syndicate Member(s)/sub-syndicate members at the Specified Centres.

No separate receipts shall be issued for the money payable on the submission of Bid-cum-Application Form or Revision Form. However, the collection centre of the members of the Syndicate and SCSBs, as applicable, 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.

Additional information specific to ASBA Bidders

- (i) ASBA Bid cum Application Forms in physical form will be available with the Designated Branches and with the members of the Syndicate; and electronic ASBA Bid cum Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Further, the SCSBs will ensure that the abridged Red Herring Prospectus is made available on their websites.

- (ii) SCSBs may provide the electronic mode of Bidding either through an internet enabled Bidding and banking facility or such other secured, electronically enabled mechanism for Bidding and blocking funds in the ASBA Account. Eligible ASBA Bidders may also approach the Designated Branches to register their Bids through the ASBA process.
- (iii) The SCSBs shall accept Bids only during the Bid Period and only from the ASBA Bidders. The SCSB shall not accept any ASBA Bid cum Application Form after the closing time of acceptance of Bids on the Issue Closing Date.
- (iv) The ASBA Bid cum Application Form shall bear the stamp of the Designated Branch or the members of the Syndicate (in case of Bids through Syndicate ASBA), if not, the same shall be rejected.

Public announcement upon filing of this DRHP

The Company shall either on the date of filing the DRHP with SEBI or on the next day shall make a public announcement in one English national daily newspaper and one Hindi national daily newspaper, each with wide circulation, disclosing that the DRHP has been filed with SEBI and inviting the public to give their comments to SEBI in respect of disclosures made in the DRHP.

Method and Process of Bidding

- (a) Our Company and the BRLM shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date at the time of filing the Red Herring Prospectus with the RoC and also publish the same in widely circulated national newspapers (one each in English and Hindi) and a widely circulated Marathi newspaper. The Syndicate and the SCSBs shall accept Bids from the Bidders during the Issue Period.
- (b) Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in two national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date.
- (c) The BRLM shall accept Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- (d) The Bid/Issue Period shall be for a minimum of three Working Days and shall not exceed 10 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. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in two national newspapers (one each in English and Hindi) and one Marathi newspaper with wide circulation and also by indicating the change on the websites of the BRLM, at the terminals of the Syndicate and by intimation to the SCSBs.
- (e) During the Bid/Issue Period, Bidders (other than ASBA Bidders), who are interested in subscribing for the Equity Shares should approach the Syndicate Members or their authorised agents to register their Bids. The Syndicate Members shall accept Bids from all Bidders and have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. Bidders applying through the ASBA process may approach the Designated Branches of the SCSBs or to the Syndicate Member(s)/sub-syndicate members at the Specified Centres to register their Bids.
- (f) 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 entitled “Bids at Different Price Levels” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid-cum-Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of

Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

- (g) 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 or the SCSBs. Submission of a second Bid-cum-Application Form or ASBA Bid Cum Application Form to either the same or to another member of the Syndicate or SCBS 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”.
- (h) In case of Bidders applying through the ASBA process has submitted the Bid-cum-Application Forms to the Syndicate Member(s)/sub-syndicate members at the Specified Centres or its authorized agents, the Syndicate members shall upload the Bid details in the electronic bidding system of the Stock Exchange. Before accepting the Bid-cum-Application Forms, the Syndicate/sub-syndicate members shall ensure that SCSBs whose name has been entered in the Bid-cum-Application Form has designated a branch in that particular bidding center to accept such Bid-cum-Application Forms. Within two days of the Bid/Issue Closing date, the Syndicate members shall forward a schedule containing the application and amount along with the application forms to the branch of the SCSBs so authorised to accept the ASBA forms procured by the Syndicate members. Upon receipt of such application forms the SCSBs shall verify whether sufficient funds are available in the ASBA account as mentioned in the application forms. In the event sufficient funds are not available in the relevant ASBA Account, the Designated Branch of the SCSB shall reject such Bids.
- (i) Except in relation to the Bids received from the Anchor Investors, the members of the Syndicate/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid-cum-Application Form.
- (j) Along with the Bid-cum-Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described in “Escrow Mechanism- Terms of payment and payment into the Escrow Accounts” on page 248.
- (k) In case of receipt of the ASBA Form directly from the Bidder, 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 Form, prior to uploading such Bids with the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges. If sufficient funds are available in the ASBA Account, the SCSBs shall block an amount equivalent to the Bid Amount mentioned in the ASBA Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- (l) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Bids at Different Price Levels and Revision of Bids

- (a) The Price Band and the minimum Bid lot size shall be decided by our Company in consultation with the BRLM and advertised at least two working days prior to the Bid/Issue Opening Date, in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation.
- (b) Our Company, in consultation with the BRLM and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least two days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Bid/Issue Period will be extended for at least three additional 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 Stock Exchanges, by issuing a public notice in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation and also by indicating the change on the websites of the BRLMs, SCSBs and at the terminals of the Syndicate Member(s).
- (d) Our Company, in consultation with the BRLM will finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.
- (e) Our Company, in consultation with the BRLM, can finalise the Anchor Investor Issue Price within the Price and in accordance with this clause, without the prior approval of, or intimation, to the Anchor Investors.
- (f) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non- Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- (g) 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, shall submit the Bid-cum-Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- (h) In the event of any revision in the Price Band, whether upward or downward, the minimum application size shall remain [•] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of ₹ 5,000 to ₹ 7,000.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please see “Issue Procedure - Payment Instructions” on page 235.

Electronic Registration of Bids

- (a) The members of the Syndicate and the Designated branches of the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges.
- (b) The Syndicate and the SCSBs will undertake modification of selected fields in the Bid details already uploaded within one Working Day from the Bid/Issue to amend some of the data fields (currently DP ID, Client ID) entered by them in the electronic bidding system. Bidders are cautioned that a high inflow of

Bids typically experienced on the last Working Day of the Bidding may lead to some Bids received on the last Working Day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be considered for allocation.

- (c) There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Bids are being accepted. The BRLM, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the Syndicate Members and the SCSBs, (ii) the Bids uploaded by the Syndicate Members and the SCSBs, (iii) the Bids accepted but not uploaded by the Syndicate Members and the SCSBs or (iv) with respect to ASBA Bids, Bids accepted and uploaded without blocking funds in the ASBA Accounts. However, the Syndicate and/or the SCSBs shall be responsible for any error in the Bid details uploaded by them. It shall be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.
- (d) The Stock Exchanges will offer an electronic facility for registering Bids for the Issue. This facility will be available with the Syndicate and their authorised agents and the SCSBs during the Bid/ Issue Period. The Syndicate Members and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis. On the Bid/ Issue Closing Date, the Syndicate and the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis.
- (e) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges would be made available at the Bidding centres during the Bid/Issue Period.
- (f) At the time of registering each Bid other than ASBA Bids, the Syndicate shall enter the following details of the Bidders in the on-line system:
 - Name of the Bidder: Bidders should ensure that the name given in the Bid-cum-Application Form is exactly the same as the name in which the Depository Account is held. In case the Bid-cum-Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid-cum-Application Form.
 - Investor Category – Individual, Corporate, FII, NRI, Mutual Fund, etc.
 - Price Option
 - Numbers of Equity Shares Bid for.
 - Bid Amount.
 - Cheque Details.
 - Bid-cum-Application Form number.
 - DP ID and client identification number of the beneficiary account of the Bidder.
 - PAN.

With respect to ASBA Bids, at the time of registering each Bid, the Designated Branches of the SCSBs or the Syndicate/ Sub-Syndicate members shall enter the following information pertaining to the Bidder into the online system:

- Name of the Bidder(s);
- Application Number;
- PAN (of First Bidder, in case of more than one Bidder);
- Investor Category and Sub-Category:

Retail	Non- Institutional	QIB
(No sub category)	<ul style="list-style-type: none"> • Individual • corporate • other 	<ul style="list-style-type: none"> • Mutual Funds • Financial Institutions • Insurance companies • Foreign Institutional • Investors other than corporate and individual • sub-accounts

- Number of Equity Shares Bid for.
 - Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder.
 - Bid Amount
 - Bank Account number
- (g) 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 or the SCSBs as the case may be. The registration of the Bid by the member of the Syndicate or the SCSB does not guarantee that the Equity Shares shall be allocated/Allotment either by the members of the Syndicate or our Company.
- (h) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (i) In case of QIB Bidders, only the BRLM and their affiliate Syndicate Members also have 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 of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds.
- (j) The permission given by BSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, or the BRLM are cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company.
- (k) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of electronic facilities of BSE and NSE.
- (l) It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed that this Red Herring Prospectus has been cleared or approved by the BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE.

Build up of the book and revision of Bids

- (a) Bids received from various Bidders through the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges main frame on a regular basis.
- (b) The Book gets built up at various price levels. This information will be available with the BRLM on a regular basis at the end of the Bid/Issue Period and can be obtained from them.

- (c) During the Bid/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid-cum-Application Form or 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 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 such Bidder 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 Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.
- (e) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.
- (f) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 2,00,000 if the Bidder wants to continue to Bid at Cut-off Price), with the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 2,00,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.
- (g) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders, who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account.
- (h) Our Company, in consultation with the BRLM, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 5,000 to ₹ 7,000.
- (i) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid Amount. In such cases, the Syndicate will revise the earlier Bids details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment.
- (j) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and may get a revised TRS from the Syndicate or the SCSB, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

- a) After the Bid/Issue Closing Date, the BRLM will analyze the demand generated at various price levels and discuss pricing strategy with us.
- b) Our Company, in consultation with the BRLM shall finalize the 'Issue Price', the number of Equity Shares to be allotted in each category of Bidders.

- c) The allocation available to QIBs for not more than 50% of the Issue to the Public, of which 5% shall be reserved for Mutual Funds, would be on a proportionate basis, subject to valid bids being received at or above the Issue Price in the manner as described in the section titled 'Basis of Allotment'. The allocation to Non-Institutional Bidders and Retail Individual Bidders of not less than 15% and 35% of the Issue to the Public, respectively, would be on proportionate basis, in the manner specified in the SEBI (ICDR) Regulations in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.
- d) Under subscription, if any, in QIBs, Non-Institutional and Retail categories would be allowed to be met with spill over from any of the other categories at the discretion of our Company and the BRLM. However, if the aggregate demand by Mutual Funds is less than [●] Equity Shares, the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders in proportion to their Bids.
- e) Allocation to NRIs, FIIs, Foreign Venture Capital Funds registered with SEBI applying on repatriation basis will be subject to the terms and conditions stipulated by the FIPB and RBI while granting permission for Issue/Allocation of Equity Shares to them.
- f) Our Company in consultation with the BRLM, reserves the right to cancel the Issue any time after the Bid/Issue Opening Date but before allocation, without assigning reasons whatsoever.

The allotment details shall be uploaded on the website of the Registrar to the Issue.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the BRLM and the Syndicate Members shall enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, Our Company will update and file the updated Red Herring Prospectus with the RoC in accordance with the applicable law, which then would be termed as the "Prospectus". The Prospectus will contain details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, Our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one Marathi language daily newspaper, each with wide circulation.

Advertisement regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price and the Anchor Investor Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Confirmation of Allotment Note ("CAN")

- (a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Syndicate a list of the Bidders who have been Allotted Equity Shares in the Issue.
- (b) The Registrar will then dispatch a CAN to the Bidders who have been Allotted Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder for all the Equity Shares allocated to such Bidder.

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs

A physical book will be prepared by the Registrar on the basis of the Bid-cum-Application Forms received from Anchor Investors. Based on the physical book and at the discretion of our Company, the BRLM, select Anchor Investors may be sent a CAN, within two Working Days of the Anchor Investor Bid/ Issue Period, indicating the number of Equity Shares that may be allocated to them. This provisional CAN and the final allocation is subject to the physical application being valid in all respect along with receipt of stipulated documents, the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price and Allotment by the Board of Directors. In the event that the Issue Price is higher than the Anchor Investor Issue Price, a revised CAN will be sent to Anchor Investors. The price of Equity Shares in such revised CAN shall be different from that specified in the earlier CAN. Anchor Investors should note that they shall be required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within two Working Days after the Bid/ Issue Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

- (a) Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Bidder's depository account will be completed within 12 Working Days of the Bid/Issue Closing Date.
- (b) In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

- (a) Check if you are eligible to apply in terms of the Red Herring Prospectus and under applicable law;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Bid-cum-Application Form;
- (d) Ensure that the details about the Depository Participant, PAN and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialised form only;
- (e) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the Syndicate or with respect to ASBA Bidders, ensure that your Bid is submitted either at a Designated Branch of the SCSB or to the Syndicate Member(s)/sub-syndicate members at the Specified Centres.;
- (f) With respect to ASBA Bids ensure that the ASBA Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Form;
- (g) Ensure that you request for and receive a TRS for all your Bid options;
- (h) In case of Bids submitted through ASBA process, ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the ASBA Form to the respective Designated Branch of the SCSBs or the Syndicate members;

- (i) In case of Non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids submitted to the Syndicate and in case of Bids under the ASBA process funds equivalent to the Bid Amount are blocked in case of any Bids submitted through the SCSBs.
- (j) In case of Bids submitted through the ASBA process, instruct the relevant SCSBs not to release the funds blocked in the ASBA Account in respect of the relevant Bid Amounts until receipt of instructions from the Registrar to the Issue to unblock the Bid Amount, based on finalization of the Basis of Allotment;
- (k) Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
- (l) Except for Bids submitted on behalf of the Central Government or the State Government and officials appointed by a court and subject to the SEBI circular dated April 3, 2008 from the residents of the state of Sikkim, all Bidders should mention their PAN allotted under the IT Act. Bid Cum-Application Form in which the PAN is not provided will be rejected;
- (m) Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- (n) Ensure that the name(s) given in the Bid-cum-Application Form 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.
- (o) All QIB Bidders and Non-Institutional Bidders shall apply only through the ASBA process.

Don'ts:

- (a) Do not Bid if you are prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- (b) Do not Bid if you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise, or if you are not competent to contract under the Indian Contract Act, 1872, as amended;
- (c) Do not Bid if you are a US resident;
- (d) Do not bid after the time prescribed as per the Bid cum Application Form, Pre-issue advertisement and the Red Herring Prospectus and if the Bid is not as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- (e) Do not submit your Bids on plain paper;
- (f) Do not forget to tick the Bidder category on the Bid cum Application Form;
- (g) In case of ASBA Bids, do not forget to tick the authorization to the SCSB to block funds in the ASBA Account;
- (h) Do not Bid for lower than the minimum Bid size;
- (i) Do not Bid/ revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- (j) Do not Bid on another Bid-cum-Application Form after you have submitted a Bid to the Syndicate or the SCSBs, as applicable;
- (k) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

- (l) Do not send Bid-cum-Application Forms by post; instead submit the same to a member of the Syndicate or the SCSBs only;
- (m) Do not Bid at Cut-off Price (for QIB Bidders and Non-Institutional Bidders, for Bid Amount in excess of ₹ 2,00,000);
- (n) Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);
- (o) With respect to ASBA Bids, do not bid if there are inadequate funds in the ASBA Account for enabling the SCSB to block the Bid Amount specified in the ASBA Bid cum Application Form;
- (p) Do not Bids under power of attorney or if you are a limited company, corporate, trust, etc., unless the Bid is supported with relevant documents;
- (q) Do not forget to mention the sole or first Bidder's PAN (except for Bids on behalf of the Central or State Government, residents of Sikkim and officials appointed by the courts), DP ID and BAN in the Bid-cum-Application Form;
- (r) 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;
- (s) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground; and
- (t) Do not submit the Bids without the full Bid Amount.

INSTRUCTIONS FOR COMPLETING THE BID-CUM-APPLICATION FORM

Bids must be:

- (a) Made only in the prescribed Bid-cum-Application Form or Revision Form, as applicable.
- (b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid-cum-Application Form or in the Revision Form. Bidders must provide details of valid and active DP ID, BAN and PAN clearly and without error. Invalid accounts/ suspended accounts or where such account is classified as invalid or suspended may not be considered for allotment. Incomplete or incorrect Bid-cum-Application Forms or Revision Forms are liable to be rejected. Bidders should note that the Syndicate and / or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Bid-cum-Application Forms or Revision Forms.
- (c) Information provided by the Bidders will be uploaded in the online IPO system by the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Bidders should ensure that the details are correct and legible.
- (d) For Retail Individual Bidders, the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid Amount of ₹ 2,00,000.
- (e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.

- (f) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- (g) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (h) If the ASBA Account holder is different from the ASBA Bidder, the Bid cum Application Form should also be signed by the account holder as provided in the Bid cum Application Form.
- (i) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to ₹ 1,000 Lac and in multiples of [●] Equity Shares thereafter.

Bidder's PAN, Depository Account and Bank Account Details

Bidders should note that on the basis of PAN of the Bidders, DP ID and beneficiary account number provided by them in the Bid-cum-Application Form, the Registrar will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as "Demographic Details"). These bank account details would be used for giving refunds (including through physical refund warrants, direct credit, NECS, NEFT) or unblocking of ASBA Account. It is mandatory to provide the bank account details in the space provided in the Bid-cum-Application Form and Bid-cum-Application Form that do not contain such details are liable to be rejected. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders or unblocking of ASBA Account at the Bidders sole risk and neither the BRLM or the Registrar or the Escrow Collection Banks or the SCSBs nor Our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form.

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.

By signing the Bid-cum-Application Form, the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Refund orders/ CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/ CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder (other than ASBA Bidders) in the Bid-cum-Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Bidder's sole risk and neither our Company, the Escrow Collection Banks, Registrar, the BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Bidder, the DP ID and the beneficiary's identity, then such Bids are liable to be rejected.

Bids by Non-Residents including Eligible NRIs, FIIs and Foreign Venture Capital Funds on a repatriation basis

Bids and revision to Bids must be:

1. On the Bid-cum-Application Form or the Revision Form, as applicable ([●] in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained in the Red Herring Prospectus, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision are liable to be rejected.
2. Bids by Retail Individual Bidders must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, subject to a maximum Bid Amount of ₹ 2,00,000.
3. Bids by QIBs bidding in the Net QIB Portion and Non- Institutional Bidders must be for a minimum of such number of Equity Shares that the Bid Amount exceeds ₹ [●] and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the size of this Issue, subject to applicable investment limits under laws or regulations to the Bidders. Anchor Investors cannot withdraw their Bids after the Anchor Investor bidding Date and QIBS bidding in the Net QIB Portion cannot withdraw their Bids after the Bid Closing Date.
4. Made in a single name or joint names (not more than three and in the same order as their Depository Participant Details).
5. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Bids by Eligible NRIs for a Bid Amount of up to ₹ 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

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. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs and FIIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids under Power of Attorney or by Limited Companies, Corporate Bodies or Registered Societies

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 & Article 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.

Certain additional documents are required to be lodged along with the Bid cum Application Form by the following entities:

- (a) With respect to Bids by FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- (b) With respect to Bids by insurance companies registered with the IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged with the Bid cum Application Form.
- (c) With respect to Bids made by provident funds with minimum corpus of ₹ 25.00 crore (subject to applicable law) and pension funds with a minimum corpus of ₹ 25.00 crore, a certified copy

Our Company in our absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney and additional documents, as specified above, along with the Bid cum Application Form, subject to such terms and conditions that the Bank and the BRLMs may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

Our Company and the Syndicate shall open Escrow Account(s) with one or more Escrow Collection Bank(s) in whose favour the Retail Individual Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the Retail Individual Bidders shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Retail Individual Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Banks and the Registrar to facilitate collections from the Bidders.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the bank account number in the ASBA Form and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/ rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount. In the event of withdrawal or rejection of the ASBA Form or for unsuccessful ASBA Forms, the Registrar shall give instructions to the SCSB to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Payment into Escrow Account for Bidders other than ASBA Bidders

Each Retail Individual Bidder shall draw a cheque or demand draft or remit the funds electronically through the NEFT/RTGS mechanism for the amount payable on the Bid and/or on allocation/Allotment as per the following terms:

1. All Retail Individual Bidders would be required to pay the full Bid Amount at the time of the submission of the Bid-cum-Application Form.
2. The Retail Individual Bidders shall, with the submission of the Bid-cum-Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the Syndicate. If the payment is not made favouring the Escrow Account along with the Bid-cum-Application Form, the Bid of the Bidder shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - (a) In case of Resident Retail: “[●]”
 - (b) In case of Non-Resident Retail “[●]”
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.
7. In case of Bids by NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a Non-Resident Ordinary (NRO) Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
8. The monies deposited in the Escrow Account will be held for the benefit of the Bidders (other than ASBA Bidders) till the Designated Date.
9. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
10. Within 12 Working Days from the Bid/Issue Closing Date, the Refund Bank shall also refund all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also the excess amount paid on bidding, if any, after adjusting for allocation/Allotment to such Bidders.
11. Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid-cum-Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stockinvest/money orders/postal orders will not be accepted.

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 case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Bids by QIBs under the Anchor Investor Portion and QIB Portion (excluding Anchor Investor Portion) will not be considered as multiple Bids. The Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

In this regard, the procedures which would be followed by the Registrar to detect multiple Bids are given below:

1. All Bids will be checked for common PAN and will be accumulated and taken to a separate process file which would serve as a multiple master.
2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.
3. The Registrar will obtain, from the depositories, details of the applicant's address based on the DP ID and Beneficiary Account Number provided in the Bid data and create an address master.
4. The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. The Bids with same name and same address will be treated as multiple Bids.
5. The Bids will be scrutinised for DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

Permanent Account Number or PAN

The Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/ her PAN allotted under the I.T. Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. **Any Bid-cum-Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

REJECTION OF BIDS

In case of QIB Bidders, our Company in consultation with the BRLM may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made by NEFT/NECS/Direct Credit/cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk. With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

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. With respect to ASBA Bids, the amounts mentioned in the ASBA Form does not tally with the amount payable for the value of the Equity Shares Bid for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid-cum-Application Form;
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than the Floor Price;
- Bids at a price more than the Cap Price;
- Bids at Cut-off Price by Non-Institutional and QIB Bidders;
- Bids for number of Equity Shares which are not in multiples of [];
- Category not ticked;
- Multiple Bids as defined in the Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by Stockinvest/money order/postal order/cash;
- Bid-cum-Application Forms does not have the stamp of the BRLM or Syndicate Members or the SCSB;
- 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;
- With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Form at the time of blocking such Bid Amount in the bank account;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- ASBA Bids for QIBs not intimated to the BRLM;
- Bids by persons in the United States;
- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Bids by QIBs and Non-Institutional Bidders through the non-ASBA process;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.

IN CASE THE DP ID, CLIENT ID AND PAN MENTIONED IN THE BID-CUM-APPLICATION FORM AND ENTERED INTO THE ELECTRONIC BIDDING SYSTEM OF THE STOCK EXCHANGES OR THE SYNDICATE/THE SCSBs DO NOT MATCH WITH THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE RECORDS WITH THE DEPOSITARIES.

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 our Company, the respective Depositories and the Registrar:

Agreement dated [●], between NSDL, Our Company and the Registrar;

Agreement dated [●], between CDSL, Our Company and the Registrar.

ISIN bearing No. INE379M01015 has been allotted by CDSL vide their letter dated July 27, 2011.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- (a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- (b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid-cum-Application Form or Revision Form.
- (c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- (d) Names in the Bid-cum-Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (e) If incomplete or incorrect details are given under the heading "Bidders Depository Account Details" in the Bid-cum-Application Form or Revision Form, it is liable to be rejected.
- (f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid-cum-Application Form vis-à-vis those with his or her Depository Participant.
- (g) Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- (h) The trading of the Equity Shares of Our Company would be in dematerialised form only for all Bidders in the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid-cum-Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid form, name and address of the member of the Syndicate or the Designated Branch of the SCSBs where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs/ to the Syndicate Member(s)/sub-syndicate members at the Specified Centres, the Bidders can contact the Designated Branches of the SCSBs or the Syndicate/ Sub-Syndicate members, as the case may be.

PAYMENT OF REFUND

Bidders other than ASBA Bidders must note that on the basis of the names 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 dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither Our Company, nor the Book Running Lead Managers, the Registrar, Escrow Collection Bank(s), Bankers to the Issue, 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 for Bidders other than ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

1. **NECS** – Payment of refund would be done through NECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the abovementioned centres, except where the applicant, being eligible, opts to receive refund through direct credit.
2. **Direct Credit** – Applicants having bank accounts with the Refund Bank (s), as mentioned in the Bid-cum-Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.
4. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. The process flow in respect of refunds by way of NEFT is at an evolving stage, hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

With respect to Bidders other than ASBA Bidders, Our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within 12 Working Days of the Bid/Issue Closing Date.

In case of applicants who receive refunds through NECS, NEFT, direct credit the refund instructions will be given to the clearing system within 12 Working Days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 12 Working Days of Bid/ Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall use 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 12 Working Days of the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, Our Company further undertakes that:

Allotment of Equity Shares shall be made only in dematerialised form within 12 Working Days of the Bid/Issue Closing Date; and

With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 Working Days of the Bid/Issue Closing Date would be ensured. With respect to the ASBA Bidders, instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 12 Working Days from the Bid/Issue Closing Date.

If the Allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT or ECS, the refund instructions have not been given in the disclosed manner within 12 Working Days from the Bid/ Issue Closing Date or on refusal by stock exchanges to grant listing permission for the Equity Shares being offered, our Company shall, within 8 days, repay the money failing which it shall pay interest with interest at 15% per annum, as prescribed under section 73 of the Companies Act.

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 share therein, or*
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”*

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

B. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

C. For QIBs

Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Issue size less Allotment to Non Institutional Bidders and Retail shall be available for Allotment to Non- QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. The Allotment to all the QIB Bidders will be made at the Issue Price. The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion (excluding Anchor Investor Portion) shall be determined as follows:
 - (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion (excluding Anchor Investor Portion), allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion (excluding Anchor Investor Portion).
 - (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion) then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- (b) In the second instance Allotment to all QIBs shall be determined as follows:
 - (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for up to 95% of the QIB Portion.
 - (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - (iii) Under-subscription below 5% of the QIB Portion (excluding Anchor Investor Portion), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be less than [●] Equity Shares.

For Anchor Investor Portion

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of our Company, in consultation with the BRLM, subject to compliance with the following requirements:

- (a) not more than 30% of the QIB Portion will be allocated to Anchor Investors;
- (b) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors;
- (c) allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation upto ₹ 25,000 Lac and minimum number of five Anchor Investors for allocation more than ₹ 25,000 Lac.

The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price shall be made available in the public domain by the BRLM before the Bid/ Issue Opening Date by intimating the same to the Stock Exchanges.

The Book Running Lead Managers, the Registrar to the Issue and the Designated Stock Exchange shall ensure that the 'Basis of Allocation' is finalized in a fair and proper manner in accordance with the SEBI Regulations. The drawing of lots (where required) to finalize the 'Basis of Allocation' shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

A. Illustration of Allotment to QIBs and Mutual Funds ("MF")

Sr. No	Particulars	Issue Details
1.	Issue Size	200 Crores equity shares
2.	Allocation to QIB (50%)	100 Crores Equity Shares
3.	Anchor Investor Portion	30 Crores Equity shares
4.	Portion available to QIBs other than Anchor	70 Crores Equity shares
	Of which	
	a. Allocation to Mutual Funds	3.5 Crores Equity Shares
	b. Balance for all QIBs including MFs	66.5 Crores Equity Shares
5.	No. of QIB applicants	10
6.	No of Shares applied for	500 Crores Equity shares

B. Details of QIB Bids

Sr.No	QIB Bidders	No. of shares bid (in crores)
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 other than Mutual Funds)

C. Details of Allotment to QIB Bidders

Type of QIB Bidders	Equity shares bid for	Allocation of 3.5 crores equity shares to MFs proportionately	Allocation of balance 66.5 crores equity shares to QIBs proportionately	Aggregate allocation to MFs
A1	50	0	6.65	0
A2	20	0	2.66	0
A3	130	0	17.29	0
A4	50	0	6.65	0
A5	50	0	6.65	0
MF1	40	0.7	5.32	6.02
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 Red Herring Prospectus in the section titled “*Issue Structure*” on page 232.
2. Out of 70 crores equity shares allocated to QIBs, 3.5 crores (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 equity shares in QIB category.
3. The balance 66.5 crores 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 five MF applicants who applied for 200 equity shares).
4. The figures in the fourth column entitled “Allocation of balance 66.5 crores Equity Shares to QIBs proportionately” in the above illustration are arrived as under:

For QIBs other than Mutual Funds (A1 to A5) = No. of shares bid for (i.e. in column II) X 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 crore Equity shares to the 10 QIBs are reduced by 3.5 crores Equity shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate Allotment

In the event of the Issue being over-subscribed, the basis of allotment shall be finalised by Our Company in consultation with the Designated Stock Exchange. The Executive Director/Managing Director/authorized employees of the [●] (Designated Stock Exchange) along with the post Issue Lead Merchant Banker and the Registrars to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner.

The allotment shall be made in marketable lots, on a proportional basis as explained below:

- (a) Bidders will be categorized according to the number of Equity Shares applied for,
- (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, in that category subject to a minimum allotment of [●] Equity Shares. The allotment lot shall be the same as the minimum application lot irrespective of any revisions to the Price Band.
- (d) In all Bids where the proportionate allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:
 - Each successful Bidder shall be allotted a minimum of [●] Equity Shares; and
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above.

- (e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If the decimal is less than 0.5, it would be rounded off to the lower whole number. All Bidders in such categories would be allotted Equity Shares arrived at after such rounding off.
- (f) Investors should note that the Equity Shares will be allocated to all successful Bidders in dematerialised form only. Bidders will not have the option of being allocated Equity Shares in physical form.

If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for allotment shall be first adjusted against any other category, where the allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

Letters of Allotment or Refund Orders or instructions to the SCSBs, disposal of application and application moneys

Our Company shall give credit to the beneficiary account with depository participants within 12 Working Days from the Bid/Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through NECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit. Our Company will ensure dispatch of any refund orders by speed or registered post or direct credit, NEFT or NECS, at the sole or first Bidders' sole risk, within 12 Working Days from the Bid/ Issue Closing Date. Bidders to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 Working Days of the Bid/ Issue Closing Date. In case of ASBA Bidders, the Registrar shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

Interest in case of delay in despatch of Allotment Letters or Refund Orders/ instruction to the SCSBs by the Registrar.

Our Company agrees that (i) Allotment of Equity Shares; and (ii) credit to the successful Bidders' depository accounts will be completed within 12 Working Days of the Bid/ Issue Closing Date. Our Company further agrees that if the Allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT or ECS, the refund instructions have not been given in the disclosed manner within 12 working days from the Bid/ Issue Closing Date or on refusal by stock exchanges to grant listing permission for the Equity Shares being offered, our Company shall, within 8 days, repay the money failing which it shall pay interest with interest at 15% per annum, as prescribed under section 73 of the Companies Act.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

UNDERTAKING BY OUR COMPANY

We undertake as follows:

1. that the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
2. that all steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed are taken within 12 Working Days of Bid/Issue Closing Date;

3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the issue by our Company.
4. that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 Working days of closure of the issue, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. that certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time.
6. that no further issue of securities shall be made till the securities offered through the Red Herring Prospectus are listed or till the application moneys are refunded on account of non-listing, under subscription, etc.
7. that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount (ASBA) and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue after the bidding and if so, the reason thereof shall be given as a public notice within two days of the closure of the issue. The public notice shall be issued in the same newspapers where the pre-issue advertisement had appeared. The Stock Exchanges where the specified securities were proposed to be listed shall also be informed promptly.

If our Company withdraws the issue after closure of bidding, the issuer shall be required to file a fresh draft offer document with SEBI.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

- i) All monies received out of this issue of Equity Shares to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 73 of the Companies Act, 1956;
- ii) Details of all monies utilized out of the issue referred to in sub-item (a) shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised under an appropriate separate head in the Balance Sheet of our Company indicating the purpose for which such monies had been utilized; and
- iii) Details of all unutilized monies out of the issue of Equity Shares, referred to in sub-item (i) shall be disclosed under an appropriate separate head in the Balance Sheet of our Company indicating the form in which such unutilized monies have been invested;
- iv) Our Company shall comply with the requirements of Clause 49 of the listing agreement in relation to the disclosure and monitoring of the utilization of the Net Proceeds; and

Our Company shall not have recourse to the proceeds of the Issue until the approval for trading of the Equity Shares from the Stock Exchanges has been received

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the industrial policy of Government of India, or the Industrial Policy and FEMA. While the Industrial Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made.

Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Foreign Investment Promotion Board of Government of India (FIPB) and the RBI.

RBI, *vide* its circular A.P (DIR Series) Circular No. 53 dated December 17, 2003, permitted FIIs to subscribe to shares of an Indian Company in the public issue without prior approval of RBI, so long as the price of Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents.

Investment by Non-Resident Indians

A variety of special facilities for making investments in India in shares of Indian Companies are 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 other foreign investors. Under the portfolio investment scheme, NRIs are permitted to purchase and sell Equity Shares of our Company through a registered broker on the Stock Exchanges. NRIs collectively should not own more than 10% of the post-issue paid up capital of our Company. No single NRI may own more than 5% of the post- issue paid up capital of our Company. NRI investment in foreign exchange is now fully repatriable whereas investments made in Indian Rupees through rupee accounts remains non repatriable.

Investment by Foreign Institutional Investors

Foreign Institutional Investors (“FIIs”) including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated, institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from the SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. The initial registration and the RBI’s general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realise capital gains or investments made through the initial amount invested in India, to subscribe or renounce rights issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of rights issues of shares.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the overall issue of Equity Shares to FIIs on a repatriation basis should not exceed 24% of post-issue paid-up capital of our Company. However, the limit of 24% can be raised up to the permitted sectoral cap for that Company after approval of the board of Directors and shareholders of our Company. The issue of Equity Shares to a single FII should not exceed 10% of the post-issue paid-up capital of our Company. In respect of an FII investing in Equity Shares of a Company on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital of that Company.

Registration of Equity Shares under US Laws

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S of the U.S. Securities Act, 1933), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold only outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders and neither our Company nor the BRLM are liable for any changes in the regulations after the date of the DRHP.

SECTION X- DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of our Articles relating to, *inter alia*, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	3. The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act
New Capital same as existing capital	5. Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	6. The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	7. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8. The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
Provisions to apply on issue of	9. On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:

Redeemable Preference Shares	<p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 80 of the Act. The redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p>
Reduction of capital	<p>10.</p> <p>The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any securities premium account.</p> <p>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Purchase of own Shares	<p>11.</p> <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>
Sub-division consolidation and cancellation of Shares	<p>12.</p> <p>Subject to the provisions of Section 94 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p>

MODIFICATION OF RIGHTS

Modification of rights	<p>13.</p> <p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.</p>
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SHARES, CERTIFICATES AND DEMATERIALISATION

Restriction on allotment and return of allotment	<p>14.</p> <p>The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.</p>
Further issue of shares	<p>15.</p> <p>(1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then:</p> <p>(a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date;</p> <p>(b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than fifteen days from the date of the offer and the offer, if not accepted, will be deemed to have been declined;</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause</p> <p>(b) shall contain a statement of this right;</p> <p>(d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.</p> <p>(2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.</p> <p>(a) If a Special Resolution to that effect is passed by the Company in General Meeting; or</p> <p>(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p> <p>(3) Nothing in sub-clause (c) of (1) hereof shall be deemed;</p> <p>(a) To extend the time within which the offer should be accepted; or</p> <p>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.</p> <p>(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:</p> <p>(i) To convert such debentures or loans into Shares in the Company; or</p> <p>(ii) To subscribe for Shares in the Company</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and</p> <p>(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.</p>

Shares at the disposal of the Directors	<p>16.</p> <p>Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
Power to offer Shares/options to acquire Shares	<p>16A (i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>(ii) In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.</p>
Application of premium received on Shares	<p>17.</p> <p>(1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company.</p> <p>(2) The security premium account may, notwithstanding anything in clause (I) thereof be applied by the Company:</p> <p>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;</p> <p>(b) In writing off the preliminary expenses of the Company;</p> <p>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or</p> <p>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</p>
Power also to Company in General Meeting to issue Shares	<p>18.</p> <p>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to</p>

	compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose)In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	19. The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely: (a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board; (b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and (c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.
Installments of Shares to be duly paid	20. If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.
The Board may issue Shares as fully paid-up	21. Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Acceptance of Shares	22. Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this

	Article, be a Member.
Deposit and call etc., to be debt payable	23. The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	24. Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisation of securities	25.(A) Definitions Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository. SEBI "SEBI" means the Securities and Exchange Board of India. Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; Depositories Act "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992; Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI; Regulations "Regulations" mean the regulations made by SEBI; Security "Security" means such security as may be specified by SEBI.
Dematerialisation of securities	25.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	25.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form	25.(D) All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
Rights of depositories and beneficial owners	25.(E) (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; (2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; (3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the

	Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository To Furnish Information	25.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Service documents of	25. (G) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.
Option to opt out in respect of any security	25.(H) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 83 and 108 of the Act not to apply	25.(I) Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26. (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	26A. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
	28.

Issue of new certificate in place of one defaced, lost or destroyed	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall mutatis mutandis apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	<p>29.</p> <p>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p>
Issue of Shares without Voting Rights	<p>30.</p> <p>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.</p>
Buy-Back of Shares and Securities	<p>31.</p> <p>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 77 and SEBI (Buy back of Shares) Regulations as may be permitted by law.</p>
Employees Stock Options Scheme/ Plan	<p>32.</p> <p>The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.</p>
Sweat Equity	<p>33.</p> <p>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.</p>
Postal Ballot	<p>34.</p> <p>The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central</p>

	Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.
Company not bound to recognize any interest in Shares other than of registered holder	35. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognised	36. (a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. (b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.
Declaration by person not holding beneficial interest in any Shares	37. (1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act (2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act (3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act (4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
Funds of Company not to be applied in purchase of Shares of the Company	38. No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

UNDERWRITING AND BROKERAGE

Commission may be paid	39. Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Brokerage	40. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.

INTEREST OUT OF CAPITAL

Interest out of capital	42. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.
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DEBENTURES

Debentures with voting rights not to be issued	43. (a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business. (b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act. (c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act. (d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act. (e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. (f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred. (g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof. (h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.
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CALLS

Directors may make calls	<p>44.</p> <p>(a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	<p>45.</p> <p>Not less than fourteen days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.</p>
Call deemed to have been made	<p>46.</p> <p>A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p>
Directors may extend time	<p>47.</p> <p>The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour.</p>
Amount payable at fixed time or by installments to be treated as calls	<p>48.</p> <p>If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p>
When interest on call or installment payable	<p>49</p> <p>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.</p>
Evidence in action by Company against share holder	<p>50.</p> <p>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>

Payment in anticipation of calls may carry interest	<p>51.</p> <p>The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p>
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LIEN

Partial payment not to preclude forfeiture	<p>52.</p> <p>Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.</p>
Company's lien on Shares/ Debentures	<p>53.</p> <p>The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.</p>
As to enforcing lien by sale	<p>54.</p> <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members</p> <p>(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p>
Application of proceeds of sale	<p>55.</p> <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>

FORFEITURE OF SHARES

If money payable on Shares not paid notice to be given	56. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	57. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	58. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	59. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	60. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	61. Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	62. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	63. The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	64. The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
	65

Declaration of forfeiture	<p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.</p>
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum.	<p>66.</p> <p>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>
Cancellation of shares certificates in respect of forfeited Shares	<p>67.</p> <p>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.</p>
Evidence of forfeiture	<p>68.</p> <p>The declaration as mentioned in Article 65(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p>
Validity of sale	<p>69.</p> <p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>
Surrender of Shares	<p>70.</p> <p>The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.</p>

TRANSFER AND TRANSMISSION OF SHARES

No transfers to minors etc.	<p>71.</p> <p>No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.</p>
Instrument of transfer	<p>72.</p> <p>The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.</p>

Application for transfer	<p>73.</p> <p>(a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee.</p> <p>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice</p> <p>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>
Execution of transfer	<p>74.</p> <p>The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.</p>
Transfer by legal representatives	<p>75.</p> <p>A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.</p>
Register of Members etc when closed	<p>76.</p> <p>The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate 45 days in each year as it may seem expedient to the Board.</p>
Directors may refuse to register transfer	<p>77.</p> <p>Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.</p>
Death of one or more joint holders of Shares	<p>78.</p> <p>In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.</p>
Titles of Shares of deceased Member	<p>79.</p> <p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or</p>

	Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.
Notice of application when to be given	80. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	81. Subject to the provisions of the Act and Article 78 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	82. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	83. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	84. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	85. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	86. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Power to issue share warrants	87. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	88. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant (b) Not more than one person shall be recognized as depositor of the Share warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor
Privileges and disabilities of the holders of share warrant	89. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	90. The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Share may be converted into stock	91. The Company may, by Ordinary Resolution: (a) Convert any fully paid up Share into stock, and Reconvert any stock into fully paid-up Shares.
Transfer of stock	92. The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, form time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	93. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.

Regulation applicable to stock and share warrant	<p>94.</p> <p>Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.</p>
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BORROWING POWERS

Power to borrow	<p>95.</p> <p>Subject to the provisions of Sections 58A, 292 and 370 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p>
The payment or repayment of moneys borrowed	<p>96.</p> <p>The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>
Bonds, Debentures, etc. to be subject to control of Directors	<p>97.</p> <p>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.</p>
Terms of issue of Debentures	<p>98.</p> <p>Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>
Mortgage of uncalled capital	<p>99.</p> <p>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.</p>

MEETING OF MEMBERS

Statutory meeting	<p>100.</p> <p>The statutory meeting shall be held in accordance with the provisions of Section 165 of the Act within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business.</p>
Annual General Meeting	<p>101.</p> <p>The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the provisions of Section 166 (1) of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. Then company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.</p>
Report statement and registers to be laid before the Annual General Meeting	<p>102.</p> <p>The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.</p>
Extra-Ordinary General Meeting	<p>103.</p> <p>All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.</p>
Requisitionists' meeting	<p>104.</p> <p>(1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:-</p> <p>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>(2) The number of Members necessary for a requisition under clause (1) hereof shall be</p> <p>(a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>(b) not less than one hundred Members having the rights aforesaid and holding Shares</p>

	<p>in the Company on which there has been paid up an aggregate sum of not less than Rupees one lac in all.</p> <p>(3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>(a) A copy of the requisition signed by, the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>(i) In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting.</p> <p>(ii) the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>(b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto.</p> <p>PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof.</p> <p>(5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
When a Director or any two Members may call an Extra Ordinary General Meeting	<p>105.</p> <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p>
Contents of requisition, and number of requisitionists required and the conduct of Meeting	<p>106.</p> <p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one</p>

	<p>or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(i) By the requisitionists themselves ; or</p> <p>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.</p> <p>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	<p>107.</p> <p>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice	<p>108</p> <p>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p>

	<p>(a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act;</p> <p>(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for ,the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company</p> <p>PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p> <p>(3)Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and ordinary business and explanatory statement	<p>109.</p> <p>(1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place, of those retiring; and</p> <p>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special</p> <p>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate proceedings	<p>110.</p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p>

MEETING OF MEMBERS

Notice of business to be given	<p>111.</p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p>
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Quorum	<p>112.</p> <p>Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.</p>
If quorum not present when Meeting to be dissolved and when to be adjourned	<p>113.</p> <p>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.</p>
Resolution passed at adjourned Meeting	<p>114.</p> <p>Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.</p>
Chairman of General Meeting.	<p>115.</p> <p>At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.</p>
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required.	<p>115(A)</p> <p>Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.</p>
Business confined to election of Chairman whilst the Chair is vacant	<p>116.</p> <p>No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.</p>
Chairman may adjourn Meeting	<p>117.</p> <p>(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.</p> <p>(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.</p> <p>(c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.</p> <p>(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.</p>
How questions are	<p>118.</p> <p>Every question submitted to a General Meeting shall be decided in the first instance by</p>

decided at Meetings	a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	119. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	120. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	121. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	122. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	123. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	124. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	125. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Member paying money in advance not to be entitled to vote in respect thereof	126. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	127. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	128. Subject to the provisions of Article 126, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.
Votes of Members of unsound mind	129. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	130. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	131. (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right

	<p>to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>(b)Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	<p>132.</p> <p>Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.</p>
Voting in person or by proxy	<p>133.</p> <p>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.</p>
Rights of Members to use votes differently	<p>134.</p> <p>On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses</p>
Proxies	<p>135.</p> <p>Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.</p>
Proxy either for specified meeting or for a period	<p>136.</p> <p>An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.</p>
No proxy to vote on a show of hands	<p>137.</p> <p>No proxy shall be entitled to vote by a show of hands.</p>
Instrument of proxy when to be deposited	<p>138.</p> <p>The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.</p>
Form of Proxy	<p>139.</p> <p>Every instrument of proxy whether for a specified Meeting or otherwise shall, as</p>

	nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.
Validity of votes given by proxy notwithstanding revocation of authority	140. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	141. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	142. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	143. If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Number of Directors	144. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.
Appointment of Directors	145. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	146. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or	147. a)Notwithstanding anything to the contrary contained in these Articles, so long as any

Corporation Director	<p>moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as “the corporation”) out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.</p> <p>b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>c)The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off</p> <p>d)The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>e)The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>
Special Director	<p>148.</p> <p>In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company , corporation ,firm or person hereinafter in this clause referred to as “collaboration” to appoint from time to time any person as director of the company (hereinafter referred to as “special director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration</p>

	<p>arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.</p>
Limit on number of retaining Directors	<p>149.</p> <p>The provisions of Articles 146, 147, 148 and 149 are subject to the provisions of Section 256 of the Act and number of such Directors appointed under Article 147 shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p>
Alternate Director	<p>150.</p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.</p>
Directors may fill in vacancies	<p>151.</p> <p>The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.</p>
Additional Directors	<p>152.</p> <p>The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.</p>
Qualification shares	<p>153.</p> <p>A Director need not hold any qualification shares.</p>
Directors' sitting fees	<p>154.</p> <p>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.</p>

Extra remuneration to Directors for special work	<p>155.</p> <p>Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <p>i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or</p> <p>ii) by way of commission if the Company by a Special Resolution authorised such payment.</p>
Traveling expenses incurred by Directors on Company's business	<p>156.</p> <p>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.</p>
Director may act notwithstanding vacancy	<p>157.</p> <p>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.</p>
Board resolution necessary for certain contracts	<p>158.</p> <p>(1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company.</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;</p> <p>(2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate</p>

	<p>in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(3) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which was entered into.</p> <p>(4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(5) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p>
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholtime Director	<p>159.</p> <p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Wholtime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p>
Directors of interest General notice of disclosure	<p>160.</p> <p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</p>
Directors and Managing Director may contract with Company	<p>161.</p> <p>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.</p>
Disqualification of the Director	<p>162.</p> <p>A person shall not be capable of being appointed Director of the Company if:-</p> <p>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</p> <p>(b) he is an undischarged insolvent;</p> <p>(c) he has applied to be adjudged an insolvent and his application is pending;</p>

	<p>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</p> <p>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>(f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.</p>
Vacation of office by Directors	<p>163.</p> <p>The office of Director shall become vacant if:-</p> <p>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</p> <p>(b) he applies to be adjudged an insolvent; or</p> <p>(c) he is adjudged an insolvent; or</p> <p>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</p> <p>(e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or</p> <p>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or</p> <p>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or</p> <p>(i) he becomes disqualified by an order of the Court under Section 203 of the Act; or</p> <p>(j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(k) if by notice in writing to the Company, he resigns his office, or</p> <p>(l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	<p>164.</p> <p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 162 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	<p>165.</p> <p>(a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.</p>

	<p>(b) Special Notice as provided by these Articles or Section 190 of the Act; shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p> <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 262 of the Act be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under Article 163 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 153 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly</p> <p>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(h) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>
Interested Directors not to participate or vote in Board's proceedings	<p>166.</p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>(i) in his being:</p>

	<p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p>
Director may be director of Companies promoted by the Company	<p>167.</p> <p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p>
Appointment of Sole Selling Agents	<p>168.</p> <p>a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable.</p> <p>b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act.</p>

ROTATION AND APPOINTMENT OF DIRECTORS

Rotation of Directors	<p>169.</p> <p>Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
Retirement of Directors	<p>170.</p> <p>Subject to the provisions of Articles 148 and 150, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p>
Retiring Directors	<p>171.</p> <p>Subject to the provisions of Section 256 of the Act and Articles 146 to 153, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 184, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p>
Appointment of Technical or Executive Directors	<p>172.</p> <p>a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>b) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would</p>

	have held office if had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	173. Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 174 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	174. A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	175. Subject to Sections 258, 259 and 294 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	176. (a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless: (i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost. (ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. (iii) he is not qualified or is disqualified for appointment (iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or (v) the provision of the sub-section (2) of section 263 of the Act is applicable to the case.
Company may increase or reduce the number of Directors or remove any Director	177. Subject to the provisions of Section 252,255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	178. (a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it. (b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply. (c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Notice of candidature for office of Directors except in certain cases	179. (1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person

	<p>to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director.</p> <p>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place.</p> <p>(3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 252 of the Act, appointed as a Director re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
Disclosure by Directors of their holdings of their Shares and debentures of the Company	<p>180.</p> <p>Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p>
Votes of Body Corporate	<p>181.</p> <p>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.</p>

MANAGING DIRECTOR

Powers to appoint Managing Director	<p>182.</p> <p>Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p>
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	<p>(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 1956.</p> <p>(b) Subject to the provisions of Sections 255 of the Act, the Managing Director shall not be while he continues to hold that office, subject to retirement by rotation.</p>
Remuneration of Managing Director	<p>183.</p> <p>Subject to the provisions of Sections 309, 310 and 311 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.</p>
Special position of Managing Director	<p>184.</p> <p>Subject to any contract between him and the Company, a Managing or Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.</p>
Powers of Managing Director	<p>185.</p> <p>The Director may from time to time entrust to and confer upon a Managing Director or Whole time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.</p>
	<p>186.</p> <p>The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole time Director or Whole time Directors of the Company and may exercise all the powers referred to in these Articles.</p>
	<p>187.</p> <p>Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.</p>
	<p>188.</p> <p>The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p>

	<p>189.</p> <p>Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>
Appointment and powers of Manager	<p>189A</p> <p>The Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.</p>

WHOLE TIME DIRECTOR

Power to appoint Whole Time Director and/or Whole-time Directors	<p>190.</p> <p>Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/ persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine or permanently for life time upon such terms and conditions as the Board thinks fit. The Board may by ordinary resolution and / or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period of periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and / or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors / persons nominated under Article 192 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.</p>
To what provisions Whole time Directors shall subject	<p>191.</p> <p>Subject to the provisions of Section 255 of the Act and these Articles, a Whole Time Director or Whole Time Director shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/ they shall be subject to the same provision as to resignation and removal as the other Directors, and he/they shall ipso facto and immediately ceases or otherwise under the sees to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act any Annual General Meeting and shall be re-appointed as a Director of Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.</p>

Seniority of Whole Time Director and Managing Director	192. If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company
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PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors	193. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	194. (a) Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time. (b)for the purpose of clause(a) (i)"Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	195. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	196. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	197. Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	198. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.

Directors may appoint Committee	199. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	200. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	201. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 201 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	202. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

General powers of management vested in the Board of Directors	203. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
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	<p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <p>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>(b) remit, or give time for the repayment of, any debt due by a Director,</p> <p>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
Certain powers to be exercised by the Board only at Meetings	<p>204.</p> <p>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>(b) the power to issue Debentures,</p> <p>(c) the power to borrow moneys otherwise than on Debentures,</p> <p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1) (e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
	205.

<p>Certain powers of the Board</p>	<p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <ol style="list-style-type: none"> 1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act. 3. Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. 5. To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. 6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. 8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon. 9. To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies. 10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. 11. Subject to the provisions of Sections 291, 292, 295, 370,372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. 12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. 13. To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements,
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	<p>cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>14. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>15. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>16. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p>
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	<p>18. To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19. From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20. Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>21. At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22. Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell,</p>
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	<p>assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32. To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>
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MANAGEMENT

Prohibition of simultaneous appointment of different categories of managerial personnel	<p>206.</p> <p>The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely: -</p> <p>a) Managing Director and</p> <p>b) Manager.</p>
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MINUTES

Minutes to be made	<p>207.</p> <p>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or</p>
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	inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	208. (a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	209. Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

THE SECRETARY

Secretary	210. The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.
The Seal, its custody and use	211. (a) Seal The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. (b) Common Seal for use outside India The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956 (c) Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company. (d) Affixing of Seal on deeds and instruments’ On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed. (e) Affixing of Seal on Share Certificates Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being. (f) Removal of Common Seal outside the office premises The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.

DIVIDENDS AND CAPITALISATION OF RESERVES

Division of profits	<p>212.</p> <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	<p>213.</p> <p>The Company in General Meeting may, subject to the provisions of Section 205 of the Act, declare a dividend to be paid to the Members other than the Members who have waived/forgone their right, of receiving any dividend (including any interim dividend) declared / to be declared by the Company for any financial year in accordance with Rules framed by the Board and amended from time to time, according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. Where a dividend has been so declared, subject to the provisions of Section 207 of the Act, either the dividend shall be paid or the warrant in respect thereof shall be posted within 30 days of the date of the declaration to the Members entitled to the payment of the same.</p>
Open to the Members to waive/forgo his/their right to receive the Dividend	<p>213 a.</p> <p>Notwithstanding anything contained in the Articles 212 to 228 of the Articles of Association of the Company, but subject to the provisions of the Companies Act, 1956 and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf, as amended from time to time by the Board, it shall be open for the Members of the Company who hold the equity shares in the Company to waive/forgo his/their right to receive the dividend (interim or final) by him /them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Members, his/their right to receive the dividend (interim or final) by him/them under this Article shall be irrevocable immediately after the record date / book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/ forgone his/their right to receive the dividend (interim or final) by him/them under this Article.</p>
Dividends out of profits only	<p>214.</p> <p>No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.</p>
Interim dividend	<p>215.</p> <p>Subject to the provisions of the Act, the Directors may, from time to time, pay to the Members other than the Members who have waived/forgone their right of receiving any dividend declared / to be declared by the Company for any financial year, in accordance with Rules framed by the Board and amended from time to time, such interim dividends as in their judgment the position of the Company justifies.</p>
Debts may be deducted	<p>216.</p> <p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) The Board of Directors may retain the dividend payable upon Shares in respect of</p>

	which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance to carry interest, not the right to earn dividend	217. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	218. The Company may pay dividends to the Members other than the Members who have waived/ forgone their right, of receiving dividends (including any interim dividend) in respect of any financial year in accordance with the Rules framed by the Board of Directors of the Company and amended from time to time by the Board of Directors of the Company, in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	219. No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	220. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	221. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	222. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	223. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	224. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.
Dividend to be paid within time required by law.	225. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, other than the Members who have waived/forgone their right of receiving any dividend declared / to be declared by the

	<p>Company for any financial year within such time as may be required by law from the date of the declaration unless:-</p> <p>(a) where the dividend could not be paid by reason of the operation on any law; or</p> <p>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or</p> <p>(c) where there is dispute regarding the right to receive the dividend; or</p> <p>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or</p> <p>(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</p>
Unpaid or unclaimed dividend	<p>226.</p> <p>Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, other than the Members who have waived/forgone their right of receiving any dividend declared / to be declared by the Company for any financial year, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "***** Limited ____ (year) Unpaid Dividend Account".</p> <p>Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act.</p> <p>No unclaimed or unpaid dividend shall be forfeited by the Board.</p>
Set-off of calls against dividends	<p>227.</p> <p>Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.</p>
Dividends in cash	<p>228.</p> <p>No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.</p>
Capitalisation	<p>229.</p> <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> <p>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</p> <p>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</p> <p>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause (b)</p> <p>(3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued</p>

	to Members of the Company as fully paid bonus shares.
Board to give effect	230. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	231. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall; (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and (b) Generally do all acts and things required to give effect thereto. (2)The Board shall have full power: (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares. (3)Any agreement made under such authority shall be effective and binding on all such Members. (4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Books to be kept	232. (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: (a)all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place (b)all sales and purchases of goods by the Company (c)the assets and liabilities of the Company and (d)if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. (2)Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	233. No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board.
Statements of accounts to be furnished to General Meeting	234. The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the

	Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219	<p>235.</p> <p>(1) The Company shall comply with the requirements of Section 219 of the Act.</p> <p>(2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p>
Accounts to be audited	<p>236.</p> <p>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.</p>
Appointment of Auditors	<p>237.</p> <p>(1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act.</p> <p>(2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor.</p> <p>(3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:</p> <p>(a) he is not qualified for re-appointment;</p> <p>(b) he has given to the Company notice in writing of his unwillingness to be re-appointed;</p> <p>(c) a resolution has been passed at that Meeting appointing some body instead of him or providing expressly that he shall not be re-appointed; or</p> <p>(d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with.</p> <p>(4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.</p> <p>(5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government.</p> <p>(6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of any Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>(7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.</p>
Accounts when audited and approved to be conclusive except as to errors discovered within	<p>238.</p> <p>Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be</p>

3 months	placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.
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DOCUMENTS AND NOTICES

To whom documents must be served or given	239. Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 109, a statement of material facts referred to in Article 100 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.
Members bound by documents or notices served on or given to previous holders	240. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	241. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	242. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Registers and documents to be maintained by the Company	243. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: (a) Register of investments made by the Company but notheld in its own name, as required by Section 49(7) of the Act (b) Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. (c) Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. (d) Foreign register, if so thought fit, as required by Section 157 of the Act (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. (f) Register of Directors and Secretaries etc. as required by Section 303 of the Act. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.
Inspection of Registers	244. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of

	Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.
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WINDING UP

Distribution of assets	<p>245.</p> <p>If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.</p>
Distribution in specie or kind	<p>246.</p> <p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit. (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act. (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
Right of shareholders in case of sale	<p>247.</p> <p>A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.</p>
Directors and others right to indemnity	<p>248.</p> <p>Subject to the provisions of Section 201 of the Act, every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or</p>

	criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	249. Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Secrecy Clause	250. Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	251. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION XI - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the DRHP) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the DRHP will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the DRHP with RoC to Bid / Issue Closing Date on working days from the date of filing of the DRHP until the date of closure of the Issue.

MATERIAL CONTRACTS

1. Agreement dated July 23, 2011 between our Company and the BRLM appointing them as the Book Running Lead Manager to the Issue.
2. Memorandum of Understanding dated July 27, 2011 between our Company and Sharex Dynamic (India) Private Limited appointing them as Registrar to this Issue.
3. Trademark License Agreement dated July 21, 2011 among our Company and Mr. Anil Satpute;
4. Escrow Agreement dated [●] between our Company, the BRLM, Syndicate Member, Escrow Collection Banks and the Registrar to the Issue.
5. Syndicate Agreement dated [●] between our Company, BRLM, and the Syndicate Member.
6. Underwriting Agreement dated [●] between our Company, BRLM and the Syndicate Member.
7. Tripartite Agreement dated [●] entered into between the Registrars to the Issue, CDSL and our Company
8. Tripartite Agreement dated [●] entered into between the Registrars to the Issue, NSDL and our Company

MATERIAL DOCUMENTS

9. The Memorandum and Articles of Association of our Company, as amended from time to time.
10. Copy of Certificate of Incorporation dated September 26, 1990 issued by the Registrar of Companies, Maharashtra, Pune.
11. Fresh Certificate of Incorporation dated May 23, 2011 issued by the Registrar of Companies, Maharashtra, Pune, issued pursuant to the change in name.
12. Fresh Certificate of Incorporation dated June 28, 2011 issued by the Registrar of Companies, Maharashtra, Pune, issued pursuant to the conversion from private limited company to public limited company.
13. Resolution passed at the Extra ordinary General Meeting held on July 14, 2011 and the resolution of the Board dated July 1, 2011, authorising the present Issue.

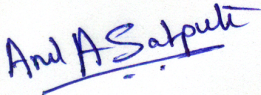
14. Copy of resolution dated June 23, 1994 for appointment of our current Managing Director.
15. Copy of Restated Audit report dated July 18, 2011 on restated financial statements by M/s Laxmikant Kabra & Co, included in the DRHP.
16. IPO Grading Report issued by [●] dated [●].
17. Consents in writing from our Directors, Company Secretary and Compliance Officer, Statutory Auditors, Auditors to the Issue, Bankers to our Company, Bankers to the Issue, Book Running Lead Manager(s), Syndicate Member(s), Underwriter(s), IPO Grading Agency, Registrar of the Issue, Legal Advisor to the Issue to act in their respective capacities.
18. Initial listing applications dated [●] and [●] filed with the BSE and the NSE respectively.
19. In-principle listing approvals from BSE and NSE dated [●] and [●] respectively.
20. Due Diligence Certificate dated [●] to SEBI from [●], the Book Running Lead Manager.
21. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in the DRHP may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XII - DECLARATION

We, the Directors of our Company, hereby declare and certify that all relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the 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 or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

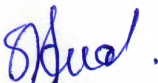
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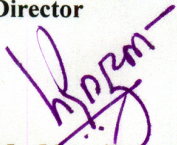
Mr. Anil Satpute
Managing Director



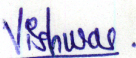
Mr. Anand Satpute
Director



Mr. Shashikanth Awati
Director



Mr. Manojkumar Gupta
Director



Mr. Vishwas Chandhaikar
Company Secretary & Compliance Officer

Date: 02/08/2011
Place: Pune

IPO Grading Report

[●]

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