



Bajaj Corp Limited

Our Company was incorporated at Mumbai as a private limited company, with the Registrar of Companies, Maharashtra, under the Companies Act, 1956 as "Bhaumik Agro Products Private Limited" pursuant to a Certificate of Incorporation dated April 25, 2006. The name of our Company was changed to "Bajaj Corp Private Limited" on September 11, 2007. Thereafter, our Company became a public limited company and its name was changed to "Bajaj Corp Limited" on October 16, 2007. For details of the change in our name and registered office of our Company, see the section titled **"History and Certain Corporate Matters"** beginning on page 105 of this Red Herring Prospectus.

Registered Office: 2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (E), Mumbai - 400 093, Maharashtra, India.

Corporate Office: Old Station Road, Udaipur - 313 001, Rajasthan, India.

Tel: + (91 22) 66919477 / 78; **Fax:** + (91 22) 66919476; **Email:** complianceofficer@bajajcorp.com; **Website:** www.bajajcorp.com;

Company Secretary and Compliance Officer: Mr. D.K. Maloo.

THE PROMOTERS OF OUR COMPANY ARE BAJAJ CONSUMER CARE LIMITED, MR. SHISHIR BAJAJ, MRS. MINAKSHI BAJAJ, MR. KUSHAGRA BAJAJ AND MR. APOORV BAJAJ.
PUBLIC ISSUE OF UP TO 4,500,000 EQUITY SHARES OF Rs. 5/- EACH ("EQUITY SHARES") OF BAJAJ CORP LIMITED ("BCL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. [●] PER EQUITY SHARE) AGGREGATING TO RS. [●] MILLION (THE "ISSUE" OR THE "IPO"). THE ISSUE WILL CONSTITUTE 15.3 % OF THE POST-ISSUE PAID-UP EQUITY CAPITAL OF OUR COMPANY.
THE FACE VALUE OF THE EQUITY SHARES IS RS. 5/- EACH
THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ADVERTISED ATLEAST TWO WORKING DAYS PRIOR TO THE BID OPENING DATE.

In case of revision in the Price Band, the Bidding Period will be extended for three additional working days after the revision of the 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 Bombay Stock Exchange Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE"), by issuing a press release, and also by indicating the change on the website of the Book Running Lead Manager ("BRLM") and at the terminals of the members of the Syndicate.

In terms of Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957 ("SCRR"), this being an issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIB Portion") Bidders. Provided that our Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis out of which one-third shall be reserved for domestic Mutual Funds. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 10% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% 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. If at least 60% of the Issue cannot be allotted to QIBs, then the entire application money shall be refunded forthwith. Potential investors may participate in this Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. All investors can participate through the ASBA process (except Anchor Investors). For details, see the section titled **"Issue Procedure"** beginning on page 288 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 5/- per Equity Share. The Issue Price is [●] times the face of the Equity Shares. The Issue Price has been determined in consultation with the BRLM and justified by our Company as stated in the section titled **"Basis for Issue Price"** beginning on page 64 of this Red Herring Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (the "SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled **"Risk Factors"** beginning on page 9 of this Red Herring Prospectus.

IPO GRADING

This Issue has been graded by CRISIL Limited as IPO Grade 4/5, indicating that the fundamentals of the IPO of our Company are above average relative to other listed equity securities in India. The IPO Grading is assigned on a five-point scale from 1 to 5, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For details, see the section titled **"General Information"** beginning on page 41 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. We have received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to their letters dated April 20, 2010 and April 7, 2010, respectively. For the purposes of this Issue, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
 KOTAK MAHINDRA CAPITAL COMPANY LIMITED 1st Floor, Bakhtawar, 229, Nariman Point Mumbai 400 021, India Tel: + (91 22) 6634 1100 Fax: + (91 22) 2284 0492 E-mail: bcl.ipo@kotak.com Investor Grievance E-mail: kmccredressal@kotak.com Website: www.kmcc.co.in Contact Person: Mr. Chandrakant Bhole SEBI Registration No.: INM000008704	 KARVY COMPUTERSHARE PRIVATE LIMITED Plot nos.17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081. Tel : +91-40-2342 0815-28 Fax: +91-40-2343 1551 E-mail: bajajcorp.ipo@karvy.com Website: http://karisma.karvy.com Contact Person: Mr.M.Murali Krishna SEBI Registration Number: INR000000221
BID/ISSUE PROGRAMME	
BID/ISSUE OPENS ON	Monday, August 2, 2010*
BID/ISSUE CLOSES ON	
FOR QIB BIDDERS	Wednesday, August 4, 2010
FOR RETAIL AND NON-INSTITUTIONAL BIDDERS	Thursday, August 5, 2010

*Our Company may consider participation by Anchor Investors. Anchor Investor shall submit their Bid on the Anchor Investor Bidding Date, which is one day prior to the Bid/Issue Opening Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Red Herring Prospectus, and references to any statute, regulation or policy shall include amendments notified thereto, from time to time.

Company-Related Terms

Term	Description
“BCL”, “the Issuer”, “the Company”, “our Company,” “we”, “us”, or “our”	Bajaj Corp Limited, a public limited company incorporated under the Companies Act and having its registered office at 2 nd Floor, Building No. 2, 167, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai 400 093, Maharashtra, India
“Bajaj”	“Bajaj” is a generic name and is not protected by any registered trademark.
Bajaj Group	The Shishir Bajaj Group of companies
Articles of Association	Articles of Association of our Company
Auditor	The statutory auditors of our Company, M/s. R.S. Dani & Company, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company, duly constituted or a committee thereof
Directors	Directors of our Company
Examination Report	Auditors report required under Part II of Schedule II to the Companies Act, 1956, on our restated financial information, included in the section titled “ <i>Financial Statements</i> ” beginning on page 139 of this Red Herring Prospectus
Group Entities/Companies	The companies and entities mentioned in the section titled “ <i>Our Promoters and Group Companies</i> ” beginning on page 121 of this Red Herring Prospectus, promoted by our Promoter
Memorandum of Association	Memorandum of Association of our Company
Memorandum of Understanding / MOU	Memorandum of Understanding dated October 14, 2009 entered into between our Company and Bajaj Infrastructure Development Company Limited, Bajaj Hindustan Limited and Teracon Construction (India) Private Limited to form a consortium in the nature of a Special Purpose Vehicle to participate in the tender for redevelopment of property at Nityanand Nagar Vibhag Four Cooperative Housing Society Limited
Nielsen Retail Audit Report	The Nielsen Retail Audit Report MAT March 2010
Promoter	Bajaj Consumer Care Limited, Mr. Shishir Bajaj, Mrs. Minakshi Bajaj, Mr. Kushagra Bajaj, and Mr. Apoorv Bajaj
Registered Office	The registered office of our Company located at 2 nd Floor, Building No. 2, 167, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai 400 093, Maharashtra, India
Trademark License Agreement	A trademark license agreement entered into between our Company and BCCL dated March 12, 2008 and amended on January 22, 2010 and further amended by the novation agreement dated February 24, 2010, for the use of all the brand names we market our products under.

Issue Related Terms

Term	Description
Allotted/Allotment/Allot	Unless the context otherwise requires, the issue and allotment of Equity Shares pursuant to this Issue to the successful Bidders
Allottee	A successful Bidder to whom Equity Shares are being Allotted
Anchor Investor	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion with a minimum Bid of Rs. 100 million
Anchor Investor Bid	Bid made by an Anchor Investor
Anchor Investor Bidding Date	The date which is one day prior to the Bid Opening Date, prior to or after which the Syndicate will not accept any Bids from Anchor Investors
Anchor Investor Issue Price	The final price at which our Equity Shares will be issued and Allotted in terms of the RHP 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	Up to 30% of the QIB Portion, equal to a maximum of 810,000 Equity Shares of our Company, which may 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

Term	Description
	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
ASBA / Application Supported by Blocked Amount	<p>An application, whether physical or electronic, used by Bidders to make a Bid authorising an SCSB to block the Bid Amount in their specified bank account maintained with the SCSB</p> <p>Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Bid cum Application Forms are available for download from the websites of the Stock Exchanges</p>
ASBA Account	Account maintained by an ASBA Bidder with an SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	Any Bidder intending to apply through ASBA (except Anchor Investors)
(i) ASBA Bid cum Application Form	The 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 purposes of the RHP and the Prospectus
(ii) ASBA Revision Form	
Banker(s) to the Issue	The bank(s) which is / are clearing member and registered with the SEBI as Bankers to the Issue with whom the Escrow Account will be opened, in this case being Kotak Mahindra Bank, Axis Bank, Central Bank of India and the Hongkong and Shanghai Banking Corporation Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in the section titled “ Issue Procedure ” beginning on page 288 of this RHP
Bid	<p>An indication to make an offer during the Bidding Period by a Bidder, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form to subscribe to our Equity Shares at a price within the Price Band, including all revisions and modifications thereto</p> <p>For the purpose of ASBA Bidders, it means an indication to make an offer during the Bidding/ Issue Period by an ASBA Bidder pursuant to the submission of ASBA Bid cum Application Form to subscribe to the Equity Shares</p>
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by a Bidder on submission of a Bid in the Issue
Bid Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate and SCSBs will not accept any Bids, which shall be notified in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation. Bid Closing Date for QIB Bidders shall be August 4, 2010 and for Retail Individual Bidders and Non Institutional Bidders shall be August 5, 2010.
Bid Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate and SCSBs shall start accepting Bids, which shall be notified in an English national newspaper, a Hindi national newspaper and a Marathi newspaper, each with wide circulation
Bid cum Application Form	The form in terms of which the Bidder shall make an offer to purchase our Equity Shares and which shall be considered as the application for the issue of our Equity Shares pursuant to the terms of the RHP and the Prospectus including the ASBA Bid cum Application as may be applicable
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the RHP and the Bid cum Application Form, including an ASBA Bidder and an Anchor Investor
Bidding Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days and during which prospective Bidders and the ASBA Bidders can submit their Bids
Book Building Process	Book building process as provided in Schedule XI of the ICDR Regulations, in terms of which this Issue is being made
BRLM/ Book Running Lead Manager	Kotak Mahindra Capital Company Limited
Business Day	Any day other than Saturday and Sunday on which commercial banks in Mumbai, India are open for business
CAN / Confirmation of Allotment	The note or advice or intimation of allotment of our Equity Shares sent to successful Bidders

Term	Description
Note	who have been Allotted our Equity Shares upon approval of the Basis of Allotment by the Designated Stock Exchange
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 revisions thereof
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate Bids in the Issue by ASBA Bidders with the BRLM, the Registrar to the Issue and the Stock Exchanges
Cut-off Price	The Issue Price finalized by our Company in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. No other category Bidders are entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available at http://www.sebi.gov.in/pmd/scsb.pdf
Designated Date	The date on which funds are transferred from the Escrow Account(s) to the Public Issue Account and the amount blocked by the SCSBs are transferred from the bank account of the ASBA Bidders to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot our Equity Shares to the Allottees
Designated Stock Exchange	The National Stock Exchange of India Limited
Draft Red Herring Prospectus/DRHP	The draft red herring prospectus dated February 26, 2010 filed with the SEBI and issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars on the price at which the Equity Shares are offered and the size (in terms of value) of the Issue
Eligible NRI	Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP will constitute an invitation to subscribe for our Equity Shares
Equity Shares	Equity Shares of our Company of face value Rs.5/- each
Escrow Account (s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount
Escrow Agreement	Agreement to be entered into among our Company, the Registrar, the BRLM, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and remitting refunds, if any of the amounts to the Bidders (excluding ASBA Bidders) on the terms and conditions thereof
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form or the ASBA Bid cum Application Form or the ASBA Revision Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted including any revisions thereof
Issue	This public issue of up to 4,500,000 Equity Shares of Rs. 5/ each at the Issue Price by our Company aggregating up to Rs. [●] million
Issue Agreement	The agreement entered into on February 24, 2010, amongst our Company, the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which our Equity Shares will be issued and Allotted to successful Bidders, which may be equal to or lower than the Anchor Investor Issue Price, in terms of the RHP and the Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date
Kotak	The BRLM to the Issue being Kotak Mahindra Capital Company Limited
Monitoring Agency	IDBI Bank Limited
Mutual Fund(s)	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) or 94,500 Equity Shares available for allocation to Mutual Funds only on a proportionate basis out of the QIB Portion (excluding the Anchor Investor Portion)
Net Proceeds	Proceeds of the Issue that are available to our Company, excluding Issue-related expenses
Non-Institutional Bidders	All Bidders, including sub-accounts of FIIs registered with the SEBI, which are foreign corporate or foreign individuals that are not QIBs (including Anchor Investors) or Retail Individual Bidders and who have Bid for our Equity Shares for an amount more than Rs. 100,000
Non-Institutional Portion	The portion of the Issue being not less than 450,000 Equity Shares available for allocation to Non Institutional Bidders

Term	Description
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian
Price Band	Price Band of a minimum price of Rs. [●] (Floor Price) and the maximum price of Rs. [●] (Cap Price) and include 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 Opening Date, in the English, Hindi and Marathi newspapers
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 60 of the Companies Act, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information and including any corrigendum thereof
Public Issue Account	An account opened with the Bankers to the Issue to receive monies from the Escrow Account and from the SCSBs (in case of ASBA Bidders) on the Designated Date
Qualified Institutional Buyers or QIBs	Public financial institutions as defined in Section 4A of the Companies Act, FIIs and sub-accounts registered with the SEBI, other than a sub-account which is a foreign corporate or foreign individual, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with the SEBI, foreign venture capital investors registered with the SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the Government of India published in the Gazette of India and the insurance funds set up and managed by army, navy or air force of the Union of India.
QIB Portion	The portion of the Issue being a minimum 2,700,000 Equity Shares to be Allotted to QIBs, including the Anchor Investor Portion
Red Herring Prospectus / RHP	This Red Herring Prospectus to be issued in accordance with Section 60 and Section 60B of the Companies Act, which will not have complete particulars of the price at which our Equity Shares shall be issued and which shall be filed with the RoC at least three days before the Bid Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with Escrow Collection Bank(s), from which refunds (excluding refunds to ASBA Bidders), if any, of the whole or part of the Bid Amount shall be made
Refund Bank	Kotak Mahindra Bank
Refunds through electronic transfer of funds	Refunds through ECS, Direct Credit, NEFT, RTGS or the ASBA process, as applicable
Registrar / Registrar to the Issue	Registrar to the Issue in this case being Karvy Computershare Private Limited
Resident Retail Individual Bidder	Retail Individual Bidder who is a person resident in India as defined in the Foreign Exchange Management Act, 1999 and who has Bid for our Equity Shares in the Issue for an amount not more than Rs. 100,000 in all of the bidding options
Retail Individual Bidder(s)	Individual Bidders (including HUFs and eligible NRIs and Resident Retail Individual Bidders who have submitted Bids for our Equity Shares in the Issue for an amount less than or equal to Rs. 100,000 in all of the bidding options
Retail Portion	The portion of the Issue being not less than 1,350,000 Equity Shares available for allocation to Retail Individual Bidder(s)
Revision Form	The form used by Bidders (excluding ASBA Bidders) to modify the quantity of our Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Self Certified Syndicate Bank/ SCSB	The banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Stock Exchanges	The BSE and the NSE
Syndicate / Underwriters	The BRLM and the Syndicate Member
Syndicate Agreement	Agreement among the Syndicate and our Company in relation to the collection of Bids (excluding Bids from ASBA Bidders) in this Issue
Syndicate Member	Kotak Securities Limited
TRS / Transaction Registration Slip	The slip or document issued only on demand by the Syndicate or the SCSB (only on demand) to the Bidder as proof of registration of the Bid
Underwriters	The BRLM and the Syndicate Member
Underwriting Agreement	The Agreement among the Underwriters and our Company to be entered into on or after the

Term	Description
	Pricing Date
Working Day	All days other than a Sunday or a public holiday (except during the Bid/Issue 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

Conventional and General Terms

Term	Description
Companies Act	Companies Act, 1956, as amended from time to time
Competition Act	Competition Act, 2002, as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	Depositories Act, 1996
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time
Financial Year/ fiscal	Unless otherwise provided, period of 12 months ended March 31 of that particular year
GIR No	General index register number
ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
P/E Ratio	Price/earnings ratio
RBI Act	Reserve Bank of India Act, 1934
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
State Government	The government of a state of the Republic of India
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.
US GAAP	Generally accepted accounting principles in the United States of America
USD / US\$	United States Dollars

Technical/Industry Related Terms

Term	Description
ADHO	Almond Drops Hair Oil
BAHO	Brahmi Amla Hair Oil
FMCG	Fast Moving Consumer Goods
LLP	Light Liquid Paraffin

Abbreviations

Term	Description
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BCCL	Bajaj Consumer Care Limited
BSE	Bombay Stock Exchange Limited
BSL	Bajaj Sevashram Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Company Identification Number
DP ID	Depository Participant's Identity
ECS	Electronic Clearing Service

Term	Description
EGM	Extraordinary General Meeting
EPS	Earnings per share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
ERP	Enterprise Resource Planning
FDI	Foreign Direct Investment
FII(s)	Foreign Institutional Investors as defined under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995 registered with SEBI
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 registered with SEBI
GDP	Gross Domestic Product
GoI / Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
I.T. Act	Income Tax Act, 1961
IPO	Initial Public Offering
Kw	Kilo Watts
MIS	Management Information System
ML	Mili Litre
NA	Not Applicable
NAV	Net Asset Value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of Profit and Loss account, divided by number of issued equity shares
NCAER	The National Council of Applied Economic Research
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR / Non-Resident	A person residing outside India, as defined under the FEMA and includes a Non-Resident Indian
NRI	Non Resident Indian, is a person resident outside India, as defined under the FEMA and the FEMA Regulations
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the FEMA Regulations. OCBs are not allowed to invest in this Issue
PAN	Permanent Account Number allotted under the I.T. Act
PLR	Prime Lending Rate
RBI	Reserve Bank of India
RoC	Registrar of Companies, Maharashtra located at Mumbai.
RoNW	Return on Net Worth
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
Supreme Court/SC	Supreme Court of India
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SPV	Special Purpose Vehicle
UIN	Unique Identification Number
US / USA	United States of America
VAT	Value added tax
w.e.f./wef	With effect from

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this RHP is derived from our audited financial statements prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations and included in this RHP. Our fiscal year commences on April 1 and ends on March 31 of the following year. In this RHP, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

Any percentage amounts, as set forth in the sections titled “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 9, 82 and 158 respectively of this RHP, unless otherwise indicated, have been calculated on the basis of our restated summary financial statements prepared in accordance with the Indian GAAP.

Currency and units of presentation

All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” are to United States Dollars, the official currency of the United States of America. In this RHP, our Company has presented certain numerical information in “million” / “billion” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

In accordance with the ICDR Regulations, we have included in the section titled “*Basis for Issue Price*” beginning on page 64 of this RHP, information relation to our peer group companies. Such information has been derived from publicly available sources and our Company or the BRLM has not independently verified such information.

Definitions

For definitions, please see the section titled “*Definitions and Abbreviations*” beginning on page 1 of this RHP. In the section titled “*Main Provisions of Articles of Association of our Company*” beginning on page 316 of this RHP, defined terms have the meaning given to such terms in the Articles.

Industry and Market Data

Unless stated otherwise, industry data used throughout this RHP has been obtained from industry publications such as AC Nielsen. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that the industry data used in this RHP is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in this RHP 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.

FORWARD-LOOKING STATEMENTS

This RHP contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “contemplate”, “expect”, “estimate”, “future”, “goal”, “intend”, “propose”, “may”, “objective”, “plan”, “project”, “seek”, “shall”, “should”, “will”, “will continue”, “will pursue”, “will likely result”, “will seek to” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant statement.

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

- Dependence on our flagship brand;
- Dependence on the intellectual property provided by our Promoter
- Changes in the political and regulatory environment;
- Increasing raw material costs that may have an adverse effect on our profitability
- Any change to the retail environment
- Our ability to successfully implement our strategy, growth and expansion plans;
- Our exposure to market risks;
- The monetary and interest policies of India, inflation and deflation; and
- Our dependence on key personnel

For further discussion of factors that could cause our actual results to differ from our expectations, see the sections titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 9, 82 and 158 of this RHP respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the BRLM, the Syndicate Members or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, we will ensure that investors are informed of material developments until the time of the grant of final listing and trading approvals by the Stock Exchanges.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this RHP, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

Unless otherwise stated, the financial information of our Company used in this section is derived from our audited consolidated financial statements under Indian GAAP, as restated. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.

INTERNAL RISKS RELATED TO OUR COMPANY

1. ***SEBI passed an order initiating adjudicating proceedings for alleged violation of the Takeover Code by one of our Independent Directors.***

Order dated January 28, 2010 of the Whole-time Member, SEBI ordering adjudication proceedings for alleged violation of Regulation 11(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 by Gaurav Dalmia as a member of promoter group of OCL India Limited in the matter of increase in promoter holding from 62.56% to 75% pursuant to buy back of shares by the Target Company.

2. ***Our funding requirements and deployment of the net proceeds of the Issue are based on management estimates and have not been independently appraised, and are subject to monitoring by an independent agency.***

The fund requirements as stated in the section titled “***Objects of the Issue***” beginning on page 59 of the RHP and the intended use of proceeds have not been appraised by any bank or financial institution. We have not entered into any definitive agreements to utilize any portion of the Issue proceeds. In view of the competitive and dynamic nature of the FMCG industry, we may have to revise our expenditure and fund requirements due to such factors as variations in the cost structure, changes in estimates, exchange rate fluctuations and external factors, which may not be within the control of our management. In addition, the estimated dates of completion of launch of various projects as described herein are based on management’s current expectations and are subject to delay and change due to various factors such as delays caused by market conditions, changes in government policies or initiatives, changes in budgetary allocation or the insufficiency of funds. In case of decline in fund requirements at a later stage, such excess Issue proceeds will be deployed as approved by the board of directors of the Company at that point in time. We will be appointing a monitoring agency to monitor the utilization of issue proceeds towards the costs incurred for promotional activities related to future products. In the event, for whatsoever reason, we are unable to execute our plans as detailed in the section titled “***Objects of the Issue***” beginning on page 59 of this RHP, we could have unallocated net proceeds. In the event we are unable to utilize the net proceeds of the Issue for the objects specified herein, we shall deploy the funds for other business purposes after receiving shareholder approval.

3. ***There are criminal proceedings initiated against two of our individual Promoters, which, if decided against them could have an adverse effect on our operations.***

There are certain criminal proceedings initiated against our individual Promoters, Mr. Shishir Bajaj (six in number) and Mr. Kushagra Bajaj (ten in number) under various sections of the Indian Penal Code. Such criminal proceedings are in the nature of complaints and first information reports lodged with the police authorities and pertain to alleged violations of state legislations relating to supply and purchase of sugarcane. These complaints are the subject matter of further investigation by the police authorities and cannot be quantified financially. There can be no assurance that the outcome of these litigations would be in favour of these individuals. In the event the outcome / orders passed by the respective courts are against these individuals, their involvement in the promotion of our Company may be limited, which may have an adverse effect on our operations. For more details of these litigations / proceedings, please refer to the section titled “***Outstanding Litigation and Other Material***

Developments - Criminal Proceedings initiated by/against the Individual Promoters” beginning on page 170 of this RHP.

S. No.	FIR No.	Date	Police Station	Sections	Directors/ Officers named in the FIR	Complainant/ Brief Contents of FIR	Action
	12 of 2010	12/1/2010	Gola	420/418/ 120B IPC, Section 22 of UP Sugarcane (Supply and Purchase) Act, 1953 Sugarcane Supply and Purchase Rules 1954, 3A of Sugarcane Control Order and 8 and 3/7 of EC Act, and	M/s Shishir Bajaj, Kushagra Nayan Bajaj, Ashok Kumar Gupta, Mehtab Singh	The brief is as follows: (1) Unauthorised deductions from sugarcane dues for the sugarcane purchased up to 6.1.2010. (2) Purchase of sugarcane in violation of the sugarcane purchase order. (3) Causing economic loss to the sugarcane farmers by violating the orders of authorities	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	24 of 2010	12/1/2010	Barkhera	418/419/420/423 IPC, section 22 of Sugarcane Act and 3/7 of EC Act	M/s Shishir Bajaj, Jitendra Sahni, Virpal Singh, Kuldeep Pilonia	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) inciting farmers of areas not reserved by paying them at higher rates (2) Illegal purchase of sugarcane of other mill areas	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	78 of 2010	12/01/2010	Kotwali, Sadar, Khambarkhera	420/418/120B IPC, UP Sugarcane Supply and Purchase Act, 1953	M/s Shishir Bajaj, Kushagra Bajaj, Ashok Kumar Gupta, Naresh Chand Agarwal, Ompal Singh	On the complaint of the Secretary, Sugarcane Growers Society. The Brief is: (1) Illegal deductions from payments to farmers (2) manual weighbridge not found operational (3) Charging of unloading charges from farmers (4) Disproportionate purchase of	Arrest of the persons named in the FIR has been stayed by Allahabad High Court

S. No.	FIR No.	Date	Police Station	Sections	Directors/ Officers named in the FIR	Complainant/ Brief Contents of FIR	Action
						sugarcane at various centres.	
	30 of 2010	13./1/2010	Palia	420/418120B IPC and Section 22 of UP Sugarcane (Supply and Purchase) Act, 1953 Sugarcane Supply and Purchase Rules 1954, 3A of Sugarcane Control Order and 8 and 3/7 of EC Act,	M/s Shishir Bajaj, Kushagra Nayan Bajaj, Ashok Kumar Gupta, Jogender Singh	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Fraudulent, dishonest and illegal purchase of sugarcane, cash payment (2) imbalanced purchase of sugarcane at various centres (3) Illegal recovery @ Rs. 10 per cart and Rs. 20 per trolley.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	16 of 2010	13/1/2010	Haldor (Bilal)	417/418/420/120B IPC, 15/16/22 Cane (Supply and Purchase Act and 3/7 EC Act	M/s Akhilesh Kumar Mishra and Kushagra Nayan Bajaj	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Purchase of sugarcane from out the area reserved for the unit (poaching), (2) no records being made available for the poached sugarcane.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	27 of 2010	13/1/2010	Kotwali Shahar, Sadar, Bijnor (Bilal)	420/418/264/265 IPC	M/s Jagdish Singh, Akhilesh Mishra and Kushagra Bajaj	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) under weighing.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	56 of 2010	13/1/2010	Banda, Punora, Shahjahanpur (Mqr)	420/418/120B IPC, 3/7 EC Act and Cl. 3 of Vaccume Pan Processing Licensing Order	M/s Kushagra Bajaj, SC Sangal	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) payment of Rs. 220/225 instead	Arrest of the persons named in the FIR has been stayed by Allahabad High Court

S. No.	FIR No.	Date	Police Station	Sections	Directors/ Officers named in the FIR	Complainant/ Brief Contents of FIR	Action
						of 260 to farmers (2) Payment of money to farmers in cash.	
	16 of 2010	14/1/10	Sarurpur, Meerut (Kinauni Unit)	420/418/264/265/465/467/468/120B IPC, 3/7 EC Act and UP Sugarcane Supply and Purchase Act, 1953.	M/s Shishir Bajaj, DP Sharma, Bijendra Singh, Satendra Singh	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) under weighing.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	25 of 2010	14/1/2010	Thanabhawan, Shamli, Mzn	420/468/471/129B IPC and 3/7 EC Act 15/16 of UP Sugarcane (Supply and Purchase Exchange) order and 6(1)(A and (f) of UP Sugar Purchase Order 1966 and section 5(1)(2)(3)(6) and 22 of UP Sugarcane Purchase and Supply order	M/s Shishir Bajaj, Kushagra Bajaj, Ashok Kumar, Parminder Arya	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Purchase of sugarcane from persons who are not legal members of sugarcane society (Poaching)	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	26 of 2010	12/1/2010	Rudholi	419/420/120B IPC, 8 of UP Vaccume Pan Sugar Factories License Act,	M/s Kushagra Nayan Bajaj, Purshottam Dadheech, Dr. Swatantra Singh Kothari, Dr. Sanjeev Kumar, Pradeep Parakh, Manish Dongning, Rajendra Kumar Agarwal.	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Illegal issue of parchies and thus, purchase of sugarcane from the areas of other sugar mills.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
	12 of 2010	14/1/2010	Motiganj, Sadar, Ghonda (Kundarkhi)	120B/419/420/467/468 IPC and 3/7 EC Act	M/s Kushagra Bajaj, Purshottam Dadhech, SS Kothari, Pradeep Kumar Mittal, Pradeep Parakh, KS Vaidyanathan, Sukhbir Singh Malik	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) payment of Rs. 220/225 instead of 260 to farmers (2) Payment of money to farmers in cash.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court

4. ***We may be unable to accurately forecast demand for our new or existing products which, amongst other factors may result in a delay for the launch of new products and cause our business to suffer.***

We routinely attempt to forecast the demand for our new and existing products to ensure we purchase the proper amount of raw materials and have the necessary distribution channels in place to sell our products. There can be no assurance that the estimates of demand for our new or existing products will be accurate. If our estimates materially differ from actual demand, we may experience shortages of our raw materials and/or constraints in our distribution channels which could result in a delay for the launch of new products or missed sales opportunities for our existing products, which could have an adverse affect on our results of operations and financial condition.

5. ***The amount proposed to be raised pursuant to the Issue substantially exceeds to the net worth of our Company as of March 31, 2010. The net worth of the Company as of March 31, 2010 was Rs 256.1 million and we intend to raised approximately Rs. 2,700 million to promote future products and to fund acquisitions and other strategic initiatives.***

As of March 31, 2010, our net worth was Rs.256.1 million. We intend to raise approximately Rs.2, 700 million to promote future products and to fund acquisitions and other strategic initiatives. Currently, we have one principle product that contributes 92.4% of our total sales. We intend to use a significant portion of the proceeds from the Issue for costs incurred towards promotional activities for our future products. These costs are in the nature of advertising and brand building expenses and will not result in the creation of any tangible assets. If we are unable to effectively identify new acquisitions or launch new products as discussed in the section titled “Objects of the Issue”, we may have a high cash position without suitable opportunities to deploy such cash.

6. ***Approximately Rs. 2,700 million, which is [●] % of our Issue size, will be utilized for promotion of future products and will not result in the creation of any tangible assets.***

We intend to use a significant portion of the proceeds from the Issue (Approximately Rs. 2,700 million, which is [●] % of our Issue size) for costs incurred towards promotional activities for our future products. These costs are in the nature of advertising and brand building expenses and will not result in the creation of any tangible assets.

7. ***We have not yet identified targets for acquisition or brand building campaigns for using the proceeds from the Issue.***

As part of the objects of the Issue, we intend to launch up to four new products, undertake acquisitions (for which we have allocated Rs.500 million of the net proceeds from the Issue), launch brand building campaigns and other strategic initiatives, from the proceeds of the IPO. No such acquisition target, brand building campaign or strategic initiative has been identified by us and we may fail to identify or secure brand building campaigns, acquisition targets or investment opportunities. Further, our competitors may capitalize on such opportunities before we do. We cannot assure you that this amount will be sufficient to pursue our organic or inorganic growth strategy or will be utilised, partially or fully in the timeframe envisaged. If we cannot identify or execute on appropriate opportunities, the objects of the Issue which are expected to be used for new product launches, acquisitions, brand building campaigns and strategic initiatives will be directed to other purposes with the prior approval of our shareholders.

8. ***We have limited operating and financial history, therefore investors may not be able to evaluate our current and future business prospects accurately.***

Our Company was incorporated on April 25, 2006 and began operations in April 2008. Prior to that time, BCCL and other Bajaj Group companies sold the brands that we are currently licensed to sell. For further details please refer to the section titled “***History and Certain Corporate Matters***” beginning on page 105 of this RHP. The manner in which we operate our business and our results of operations may differ from that of BCCL and other Bajaj Group. We have provided profit and loss accounts for the fiscal years ended March 31, 2009 and 2010 in the section titled “***Financial Statements***” beginning on page 139 of this RHP. Our limited operating and financial history may not provide a meaningful basis for investors to evaluate our business. Our prospects must be considered in light of the risks and uncertainties inherent in new business ventures. As such, there can be no assurance that our future business strategy will be successful.

9. ***The marketing and promotional expenses associated with the launch of our future products may exceed the total cost of production for those products.***

We intend to launch new products with the proceeds received from the Issue. As is typically the case with new product launches in the FMCG industry, we expect to incur significant expenditures in order to market and promote our products in the Indian marketplace. The marketing and promotional expenses we incur as a result of the new product launches may exceed the total cost of production for those products.

10. ***The marketing and promotional expenses associated with the launch of our future products may account for a significant proportion of the sales from the future products.***

In the last two years, our marketing and promotional expenses have not exceeded 12% of sales for our existing products. However, on account of launch of new products, the marketing and promotional expenses may account for a significantly higher proportion of the sales from the future products.

11. ***We depend heavily on Almond Drops and any factor adversely affecting this product or this brand will negatively impact our profitability.***

We depend on Almond Drops for a significant portion of our sales. For the fiscal year ended March 31, 2010, Almond Drops hair oil contributed 92.4% and 93.0% of our total sales and gross profit, respectively. Contribution from Almond Drops represented substantially all of our operating profit for the year ended March 31, 2010. Any drop in the sales of Almond Drops or any other factor that negatively affects the product of the brand will adversely affect our market share, business and financial performance.

12. ***The emergence of large-scale organized retail in India in the form of supermarkets and hypermarket chains may adversely affect our pricing ability.***

The FMCG industry in India has recently witnessed the emergence of newer channels of distribution, such as direct marketing and new supermarket and hypermarket chains. With urban consumers becoming more affluent and having more specific needs, along with supermarket and hypermarket chains emerging in cities across the country, the market penetration of large-scale organized retail in India is likely to continue to increase. While this provides opportunities for FMCG players like us in terms of improving supply chain efficiencies and the visibility of our brands, it will also put pressure on our margins as volume purchases from large-scale organized retail chains considerably increases their negotiating position, especially in terms of pricing and credit terms, which may have a material adverse effect on our pricing and margins, and consequently adversely affecting our profitability results of operations and financial condition.

13. ***Competition in the FMCG business could adversely affect our net sales and our market share.***

We operate in a highly competitive FMCG market with competitors who may have financial and other resources that are far greater than ours, and who may therefore have the ability to spend more aggressively on advertising and marketing and more flexibility to respond to changing business and economic conditions than we do. Further, there may be regional or smaller competitors who may have certain advantages over us. An increase in the amount of competition that we face could have a material adverse effect on our market share and sales. We have experienced increases in our market share in the Indian light hair oil market since 1998. The Almond Drops brand has now achieved an Indian light hair oil market share of 50.3% for the fiscal year ended March 31, 2010, compared with a market share of 46.5% for the fiscal year ended March 31, 2009, according to Nielsen Retail Audit Report. However, past results cannot be used as a benchmark for our future performance. A decline in our future market share may have an adverse effect on our financial condition and results of operations.

14. ***Our inability to obtain or any delay in obtaining, statutory or regulatory permits or approvals which may be required to launch our future products may have a material adverse effect on our business.***

The successful launch of our future products may be subject to the receipt of necessary statutory or regulatory permits or approvals under applicable laws. We have not applied for such approvals so far. While we believe we will obtain all approvals or renewals which may be required in connection with our future products, there can be no assurance that the relevant authorities will issue any such approvals within the anticipated time frame or at all. Additionally, we would be required to comply with such terms and conditions as may be specified in the approvals and any non-compliance on our part may lead to a cancellation of the approval granted. Failure by us to obtain the required permits or approvals or to comply with the necessary terms and conditions, as stated therein,

may result in the interruption of our operations, to the extent they are concerned with our future products and may have a material adverse effect on our business, financial condition and results of operations.

- 15. *We have recently entered into an MOU to participate in redevelopment of a real estate project in which we do not have any prior experience and we may lose our investment of 40% of the equity capital of the special purpose vehicle ("SPV") created to undertake the said project.***

On October 14, 2009, we entered into a memorandum of understanding ("MOU") with Bajaj Infrastructure Development Company Limited, Bajaj Hindustan Limited and Teracon Construction (India) Private Limited to form a consortium in the nature of a SPV to participate in the tender for redevelopment of property at Nityanand Nagar Vibhag Four Cooperative Housing Society Limited. As per the terms of the MOU, BCL has undertaken to subscribe to at least 40% of the paid up capital of the SPV. Further, the role and responsibility of BCL in the SPV, as recorded in the MOU will be that of financial commitment and participation in the management, to the extent of the capital invested, in the SPV. We perceive this as a one-off transaction and our risk associated with the execution of the project would be limited to the capital being invested by us which is 40% of the equity capital of the SPV. By a resolution dated March 18, 2010, our Board set a limit on our contribution to the equity capital of the SPV at Rs. 0.8 million. In the event the SPV incurs any loss due to delay or non-execution of the project, we may suffer losses either partially or wholly to the extent of our investments being made in the SPV.

- 16. *Our major brands command a pricing premium in the market and our inability to maintain such a premium may adversely affect our profitability.***

Our major brands particularly Almond Drops command a pricing premium in their respective market segments. However, new or intensified competition, a significant increase in the input costs and/or a decrease in the premium commanded for these brands may adversely affect our business and financial performance.

- 17. *We face the risk of potential liabilities from lawsuits or claims by consumers.***

We face the risk of legal proceedings and claims being brought against us by various entities including consumers and government agencies for various reasons including for defective products sold. If any of these potential lawsuits or claims succeed it could adversely affect our business and financial performance. This may result in liabilities and/or financial claims against us as well as loss of business and reputation.

- 18. *The availability of spurious, look-alike and counterfeit products could lead to lost revenues and harm the reputation of our products.***

We are exposed to the risk that entities in India and elsewhere could pass off their products as ours, including spurious or pirated products. For example, certain entities could imitate our brand name, packaging material or attempt to create look-alike products. This would not only reduce our market share due to a decrease in demand for our products, whereby we may not be able to recover our initial development costs or experience loss in revenues, but could also harm the reputation of our brands. The proliferation of unauthorized copies of our products, and the time lost in defending claims and complaints regarding spurious products and in initiating appropriate legal proceedings against offenders who infringe our intellectual property rights could decrease the revenue we receive from our products and have a material adverse effect on our reputation, business, financial condition and results of operations.

- 19. *The value of our brands, and our sales, could be adversely impacted if they are associated with negative publicity.***

Our success depends on our ability to maintain the brand image of our existing products and effectively build up brand image for new products and brand extensions. This is particularly relevant for Almond Drops, which for the fiscal year ended March 31, 2010 constituted 92.4% of our total sales. Product quality issues, real or imagined, or allegations of product defects, even when false or unfounded, could tarnish the image of the affected brands and may cause consumers to choose other products. In addition, in the event of changing government regulations or implementation thereof, allegations of product contamination or lack of consumer interest in certain products, we may be required from time to time to recall products entirely or from specific markets. Adverse media coverage in relation to our failure to materially comply with health and safety standards or the poor treatment of our employees could have an adverse effect on the reputation of the brands we sell and potentially result in a reduction in overall sales. Any negative publicity regarding us, our brands or our products, including those arising

from concerns regarding quality, or any other event affecting product or service quality or otherwise, could adversely affect our reputation, results of operations and financial condition.

20. *We rely on intellectual property provided by BCCL, our Promoter and our business may suffer if our Trademark License Agreement with them is terminated.*

We have entered into the Trademark License Agreement with BCCL, our Promoter, for the use of all the brand names we market our products under. The exclusive agreement is valid for a term of 99 (ninety-nine) years from March 12, 2008 and extendable for an additional 10 (ten) years. We rely heavily on the trademarks covered by the Trademark License Agreement and the success of our business depends, in large part, on our continued ability to use the existing trademarks in order to increase brand awareness.

Pursuant to the terms of this agreement, BCCL is entitled to terminate the Trademark License Agreement inter alia, in the event of any material breach of the terms and conditions of the Trademark License Agreement by giving notice of at least 90 days to our Company. For significant terms and conditions of the Trademark License Agreement please refer to the section titled “*History and Certain Corporate Matters*” beginning on page 105 of this RHP.

In the event the Trademark License Agreement is terminated on any of the grounds as aforementioned, we may lose the benefit of that intellectual property and the legal protection to use all of our brand names, which may prevent us from manufacturing and selling many of our products under those brands. Consequently, our results of operations and financial condition could be adversely affected.

21. *BCCL has the right, under the Trademark License Agreement, to direct how we use their trademarks for the sale of our products, and our failure to comply with such directions could result in the termination of the Trademark License Agreement.*

Under the terms of the Trademark License Agreement, we must use the trademarks in the manner for which they were applied and must observe all reasonable directions given to us by BCCL as to the color, size, type and other methods of presentation of the trademarks in relation to the sale of goods. In the event, we do not comply with the aforesaid directions, BCCL would have a right to terminate the Trademark License Agreement and our consequent right to manufacture and sell the licensed products. Any termination of our rights to manufacture and sell the licensed products may have an adverse impact on our results of operations and financial condition.

22. *We and/or BCCL may not be able to adequately protect the intellectual property associated with the brands we sell.*

Intellectual property rights, such as trademarks, are important to the successful branding of the products we sell. BCCL and we have made considerable efforts to protect the intellectual property associated with the brands we sell, including through trademark registrations. There can be no assurance that we or BCCL have taken adequate action to prevent third parties from using these brand names or their logos or from naming their products using the same brands that we use. In addition, there can be no assurance that third parties will not assert rights in, or ownership of, our name or the trademarks we use or other intellectual property rights. Because we believe the reputation and track record established for these brands is a key to our future growth, our business, financial condition and results of operations may be materially and adversely affected by the use of these brand names by third parties or if we were restricted from using these names.

23. *The launch of new products may prove to be unsuccessful and the sales from those products may not be able to cover the promotion expenses. This could impact our growth plans and may adversely impact our profitability.*

We have identified new product introductions in our selected business segments as one of the avenues for future growth. We intend to utilize approximately Rs. 2,200 million for the costs associated with the promotion of such future products. These costs comprise of outdoor advertisement, print media advertisement, television advertisement event sponsorship and are in the nature of revenue expenditure. Each of the elements of the new product initiatives carries significant risks, as well as the possibility of adverse consequences, including the following:

- acceptance of the new product initiatives by our retail customers may not be as high as we anticipate for a number of reasons, including product pricing;
- non-penetration into rural markets;

- we may incur significant advertising and promotion costs in respect of new products;
- our marketing strategies for the new products may be less effective than planned and may fail to effectively reach the targeted consumer base or stimulate the desired consumption and the rate of purchases by our consumers may not be as high as we anticipate;
- we may incur costs exceeding our expectations as a result of the continued development and launch of the new products;
- we may experience a decrease in sales of certain of our existing products as a result of the introduction of related new products; and
- we may experience delays or other difficulties which impact our ability, or the ability of our third party manufacturers and suppliers, to manufacture, distribute and ship products in a timely manner in connection with launching the new product initiatives.

Each of the risks referred to above could delay or impede our ability to achieve our growth objectives or we may not be successful in achieving our growth objectives at all, which could have a material adverse effect on our business, results of operations and financial condition. Further, we cannot give any assurance that the future products would, upon launch, generate sufficient revenues to cover the expenditure involved with the promotional activities.

- 24. *The future products we intend to promote from the Issue proceeds may fail. Proceeds from the Issue may only be diverted to other purposes only after receiving shareholder approval, which may be time consuming to attain.***

We intend to use a significant portion of the proceeds from the Issue for the promotion of new products. There can be no assurance that these products and the promotional activities we undertake to market them will be successful. If we decide to discontinue the promotional activities for a particular product, we may utilize the proceeds from the Issue for other corporate purposes, but only after receiving shareholder approval, which may be time consuming to attain.

- 25. *We expect to incur significant research and development costs for the launch of our new products and we may be unable to recover such costs if the new products fail.***

We anticipate that in the future we may invest further sums of money towards research and development for the launch of our future products. As of March 31, 2009 and March 31, 2010, we have spent approximately Rs. 1.53 million and Rs. 2.58 million respectively amounting to a total of Rs. 4.1 million. There can be no assurance that we will recover the amount invested in product research and development if our future products are unsuccessful in the marketplace.

- 26. *We rely heavily on the “Bajaj” brand name and any dilution of its brand equity could adversely affect our business.***

We believe the “Bajaj” brand commands good recall among the populace in India due to its long presence in the Indian market. We also believe the “Bajaj” brand name lends our products an image of trust and quality at an affordable price. While we rely heavily on the “Bajaj” brand name, we have little or no control over its use by other Bajaj Group companies or any other companies. The “Bajaj” name is a generic name and is not protected by any trademark. As such, unrelated third-parties may use the brand name in a manner that could be detrimental to the brand equity of the Bajaj brand name. Any decrease in the brand equity of the “Bajaj” brand name could adversely affect our reputation, results of operations and financial condition.

- 27. *Our registered and corporate offices are located on premises owned by our Promoter for which we have no formal right of occupation.***

Our corporate office in Udaipur and registered office in Mumbai are located on premises owned by our Promoter BCCL and we do not enjoy leasehold or other rights to such premises. There can be no assurance that an agreement will be entered into between our Promoter BCCL and us. In the event our Promoter decides to rent out or alienate the premises being used by us to any third-party or retains it for their use, we may be required to shift our premises to a new location and there can be no assurance that the arrangement we enter into in respect of the new premises would be on such terms and conditions as the present one.

28. ***Failure to successfully identify and conclude acquisitions or manage the integration of the businesses acquired or the performance of such businesses being below expectations may cause our profitability and operations to suffer.***

We have identified inorganic growth as one of our potential avenues for growth and may, as part of our future growth strategy, acquire businesses or assets which are strategically important for the growth for our Company or enter into strategic relationships. We may not be able to identify or conclude appropriate or viable acquisitions in a timely manner. Further, the acquisitions or strategic partnerships may not necessarily contribute to our profitability and may divert management attention from our core business or require us to assume a high level of debt or contingent liabilities. In addition, we may experience difficulty in integrating operations and harmonizing cultures pursuant to acquisitions or strategic partnerships leading to a non-realization of anticipated synergies or efficiencies from such acquisitions. These difficulties could disrupt our ongoing business and adversely affect our result of operations and financial condition.

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

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

30. ***We are unable disclose the nature of our future products at this time.***

We intend to use a significant portion of the proceeds from the Issue to develop and market new products. While we have identified certain products we intend to develop after the Issue, we are unable to disclose the nature of these products to the public or our shareholders at this time due to competitive factors.

31. ***We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

32. ***Any shortfall in the supply of our raw material requirements, or an increase in raw material costs, may adversely impact the pricing and supply of our products and have a material adverse effect on our business.***

Raw materials are subject to supply disruptions and price volatility caused by factors including commodity market fluctuations, the quality and availability of supply, currency fluctuations, consumer demand and changes in governmental agricultural programs. Substantially all our raw materials are purchased from third parties. Our principal raw materials comprise light liquid paraffin ("LLP") (a derivative of crude oil), vegetable oil (refined mustard oil and ground nut oil), other active ingredients and perfumes. We also procure and use packaging material such as glass and PET bottles, plastic caps, labels, corrugated boxes, and sachets in the packing process. Though we procure our raw materials from several suppliers to ensure consistent availability, there can be no assurance that we will be able to do so in future. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials at a suitable price for us to meet the demand for our products. The available amounts of raw materials may not adjust in response to increasing demand. We do not have exclusive supply arrangements with our suppliers and our suppliers may choose to supply the raw materials to our competitors instead. There is a risk that one or more of these existing suppliers could discontinue their operations, which could adversely impact our ability to source raw materials at a suitable price and meet our order requirements. Any increase in raw material price will result in corresponding increases in our raw material costs. While we attempt to hedge price volatility through quarterly contracts with our suppliers, we do not have any long-term supply contracts with respect to our raw material requirements.

The price that we pay for LLP is impacted by changes in the international price of crude oil. Our supply contracts for LLP are for a fixed price and are typically for three month duration. In addition, we absorb the LLP price increases of our third-party manufacturers. We do not use any hedging techniques to minimize the impacts of changes in crude oil and LLP prices. Any significant increase in the price of crude oil will increase our production costs and adversely impact our profitability.

Vegetable oil is also an important raw material in our production process. Vegetable oil prices could fluctuate on account of agricultural produce, demand supply situation and inflationary trends. We do not use any hedging techniques to minimize the impacts of changes in these prices. Any significant increase in these prices will increase our production costs and adversely impact our profitability.

Given the highly competitive nature of the FMCG industry, we may not be able to ensure timely and adequate supplies of our raw materials or effectively pass on raw material price increases to our customers. If we experience a shortfall in the supply of our raw material requirements, or an increase in raw material costs that we are unable to effectively pass on to our customers, we may experience a negative impact on our business and our profitability.

33. ***We rely on third parties to provide us with facilities and services that are integral to our business, the loss of which may result in a decrease in our production capacity.***

We have entered into agreements with third-party contractors to provide certain facilities and services required for our operations, such as the manufacturing facilities at Udaipur and Parwanoo. In addition, we rely on third party contractors to hire substantially all of the contract workers at our manufacturing facilities. Substantially all of our agreements with third-party contractors are short-term in duration and are subject to termination with little advance notice. The loss or expiration of these agreements or our inability to renew these agreements or to negotiate new agreements with other providers at comparable rates, may result in a decrease in our production capacity and adversely affect our business and results of operations.

Further, our reliance on third parties to provide essential services on our behalf gives us less control over the costs, efficiency, timeliness and quality of those services. A contractor's negligence could compromise our quality control and ability to meet our production schedules which could also have a material adverse effect on our business and results of operations.

34. ***Certain manufacturing operations are being conducted on premises that have been taken on lease. Our inability to seek renewal/extension of such lease terms may cause disruption in our operations.***

Our premises in Parwanoo on which we operate are taken on lease and/or lease and license agreements with various third parties. We may also enter into such transactions with third parties in the future. Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate or breach of the contractual terms of such leave and license agreements or any inability to renew the said leases and/or leave and license agreements on terms acceptable to us may impede our business operations and possibly force us to establish operations at another facility.

35. ***We rely on third party manufacturers for certain products with a commitment to take a minimum quantity. Disruption in their operations could affect the availability of those products and our market position and shortfall in demand can adversely affect our financial performance.***

We currently outsource a significant portion of our production to third party manufacturers in Parwanoo, Himachal Pradesh and Udaipur. Any disruption in their availability or operations could affect such products and may impact our market position for those products and our results of operations. Under our arrangements with third party manufacturers, we have committed to take a minimum quantity of cases per annum, at prices agreed between the parties, from time to time. In case of lower demand, we will have to purchase the committed quantities which may adversely affect our financial performance.

36. ***Product innovation and research and development activities are an integral part of our business model. If our research and product development efforts are not successful, our business may be restricted.***

Growth of our future operations depends upon our ability to successfully carry out research and development of new processes, produce new and better quality products and improve existing products. These processes must meet quality standards where applicable and may sometimes require regulatory approvals. The development and

commercialization process for these products would require time and capital. Our ongoing investments in research and development for future products and processes may result in higher costs without any increase in revenues. Any failure or delay in timely development and commercialization of new products or our inability to obtain legal protection for our future products may have a material adverse effect on our business, results of operations and financial condition.

37. *Non-renewal of the statutory and regulatory permissions and approvals required to operate our business may have a material adverse effect on our business.*

We require several statutory and regulatory permits, licenses and approvals to operate in the manufacturing business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Presently, we have made the following application for a license, which has not yet been received by us:

- Application dated February 4, 2010 made by our Company to the State Industrial Development Authority for the Occupancy certificate in respect of our Company's Dehradun unit.

We are required to renew such permits, licenses and approvals from time-to-time. There can be no assurance that the relevant authorities will issue any such permits or approvals in time or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

38. *We do not have long term contracts with our primary distributors and we may be unable to increase our sales through our primary distribution channels.*

As of March 31, 2010, our products were distributed in India through 4,600 stockists and 1.56 million retail outlets. We do not have long term distribution contracts with these stockists or retail outlets. If we are unable to maintain or increase the number of distribution outlets, or if we experience a decline in demand for our products in the Indian Light Hair Oil Market, we may be unable to increase our sales. Additionally, other channels, including department stores and door-to-door combined, account for a significant amount of sales of our Light Hair Oil products. If consumers change their purchasing habits, such as by buying more Light Hair Oil products in channels in which we do not currently compete, this could reduce our net sales and therefore have a material adverse effect on our business, financial condition and results of operations.

39. *We depend heavily on our channel partners such as stockists and retailers and failure to manage the distribution network efficiently will adversely affect our performance.*

We believe we have developed a strong network of stockists and retailers. We are dependent on these channel partners for the distribution of our products. While relationships with them have been good in the past, we have no standing contracts with any of these channel partners and most of these stockists and retailers function independently. There can be no assurance that we will be successful in continuing to receive uninterrupted, high quality of service from these channel partners for all our current and future products. Any disruption in the relationships with our stockists may have a material adverse effect on our business, financial condition and results of operations.

40. *As a manufacturing business, our success depends on the continuous supply and transportation of raw materials from our suppliers to our facilities and of our products from our manufacturing facilities to our distributors and customers, which are subject to various uncertainties and risks.*

We depend on road transportation to deliver raw materials from our suppliers to our manufacturing facilities as well as our products from our manufacturing facilities to our distributors and customers. We rely on third parties to provide such services. Disruptions of road transportation services because of weather-related problems, strikes and inadequacies in the road infrastructure, or other events could impair our ability to receive raw materials and to supply our products to our customers. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

- 41. *We could incur substantial costs resulting from a sales recall. This could adversely affect our reputation, result in significant costs to us and expose us to a risk of litigation and possible liability.***

We may be required to recall some of our products from the market due to a specific quality issue or the product not meeting customer requirements.

While we have not been required to make any sales recall of our products in the past, we cannot ensure that we would not be required to recall our products in the future. In addition to impacting our market share and the demand for our products, a product recall would likely have repercussions on our brand image and adversely affect our business, results of operations and financial condition.

- 42. *Our products are subject to Government, state and international regulations that could adversely affect our financial results.***

We are subject to regulation by Government acts such as the Companies Act, Factories Act, Labour Act, Drug & Cosmetics Act, Standard of Weight & Measurement Act and Pollution Control Act in India, as well as various other Government, state, local and foreign regulatory authorities. Our manufacturing facilities are registered under the acts mentioned above as a factory establishment, permitting the manufacture of cosmetics. State and local regulations in India that are designed to protect consumers or the environment have an increasing influence on our product claims, contents and packaging. To the extent regulatory changes occur in the future, they could require us to reformulate or discontinue certain of our products or revise our product packaging or labelling, either of which could result in, among other things, increased costs to us, delays in product launches or result in product returns.

- 43. *Our success depends on our management team and an inability to retain and attract talented staff may adversely affect our business.***

Our success is substantially dependent on the expertise and services of our management team. The loss of the services of key personnel may have an adverse effect on our business, financial condition and results of operations. Further, an increase in the rate of attrition of experienced employees, would adversely affect our growth strategy. We operate in a highly dynamic industry and there can be no assurance that we will be successful in recruiting and retaining a sufficient number of personnel with requisite skills to replace those personnel who leave.

Further, our inability to attract and retain talent could also hamper our ability to grow. For example, we intend to increase our sales staff significantly as part of our strategy to expand our sales and distribution network. If we are unable to find sufficient numbers of qualified sales personnel, an increasing number of whom are contract workers, we may have difficulty implementing our growth strategy.

- 44. *We may face labour disruptions that would interfere with our operations.***

We are exposed to the risk of strikes and other industrial actions. As of March 31, 2010, we had 437 employees. While we believe our relationship with our employees is currently good, we cannot guarantee that we will not experience further strike, work stoppage or other industrial action in the future. Also, we cannot guarantee that significant suppliers or transportation providers which we use will not experience any strikes, work stoppages or other industrial action in the future either. Any such event could disrupt our operations, possibly for a significant period of time, result in increased wages and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition.

- 45. *Wage increases in India may reduce our profits.***

Substantially all of our working force is employed in India. Any material wage increases experienced in India will likely have an impact on our production costs and could have an adverse effect on our profitability.

- 46. *We rely on our information technology systems in managing our supply chain, production process, logistics and other integral parts of our business.***

Since our operations are substantially information technology driven, the importance of information technology systems to our business is paramount. We are relying on our information technology systems in connection with

order booking, procurement of raw materials, accounting, production and distribution. In particular, we place high reliance on our enterprise resource planning ("ERP") system for the management of our business. Any failure in our ERP system or other information technology systems we rely on could result in business interruption, adversely impacting our reputation and weakening of our competitive position and could have a material adverse effect on our financial condition and results of operations.

47. *Non Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our results of operations and financial condition.*

As a company engaged in the manufacture of hair care and other products, we are subject to a broad range of safety, health and environmental laws and regulations in the jurisdictions in which we operate. For instance, our production facilities are all located in India and the disposal and storage of raw materials and chemicals from such production facilities are subject to national and state government regulations on safety, health and environmental protection. While we believe we are in compliance in all material respects with all applicable safety, health and environmental laws and regulations, however we may be required to incur costs to remedy any damage caused by lapses in discharges, pay fines or other penalties or close down the production facilities for non-compliance with safety, health and environmental laws and regulations.

48. *Our insurance coverage may not adequately protect us against possible risk of loss.*

While we believe that we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks. If any or all of our production facilities are damaged in whole or in part and our operations are interrupted for a sustained period, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption or the costs of repairing or replacing the damaged facilities. If we suffer a large uninsured loss or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. The list below contains the details of our insurance policies.

SR. NO.	PARTICULARS	POLICY NO.	POLICY PERIOD	SUM INSURED (Rs. millions)	PREMIUM AMOUNT (Rs. millions)
The Oriental Insurance Company Ltd.					
1.	FINISHED GOODS (Inter Depot transfer & Direct supply by vendors)	124500/21/2010/240	03/09/2009 to 02/09/2010	1,500.000	0.745
2.	RAW & PACKING MATERIAL (Transit Insurance for Parwanoo & Dehradun)	124500/21/2010/241	03/09/2009 to 02/09/2010	450.000	0.223
3.	GROUP PERSONAL ACCIDENT POLICY	124500/48/2010/1263	18/08/2009 to 02/07/2010	23.020	0.032
4.	MARINE CARGO OPEN POLICY (Transit Insurance for Nepal)	124500/21/2010/448	17/12/2009 to 16/12/2010	28.000	0.021
5.	MARINE OPEN (FOB) POLICY (Transit Insurance for Export goods)	124500/21/2010/504	27/01/2010 to 26/01/2011	10.000	0.008
United India Insurance Company Ltd.					
6.	MARINE CARGO OPEN POLICY (For New Machines-Paonta Sahib)	141600/21/09/02/00000109	05/11/2009 to 04/11/2010	10.000	0.005
Iffco Tokio General Insurance Company Ltd.					
7.	STANDARD FIRE AND SPECIAL PERILS (Parwanoo-Building, F&F, Raw & Packing Material, Finished Products)	11373542	30/06/2009 to 29/06/2010	15.900	0.020

SR. NO.	PARTICULARS	POLICY NO.	POLICY PERIOD	SUM INSURED (Rs. millions)	PREMIUM AMOUNT (Rs. millions)
8.	STANDARD FIRE AND SPECIAL PERILS (Dehradun- Building, F&F, Raw & Packing Material, Finished Products)	11420657	29/01/2010 to 28/01/2011	48.170	0.074
9.	STANDARD FIRE AND SPECIAL PERILS (Paonta Sahib- Building, F&F, Raw & Packing Material, Finished Products)	11433133	22/03/2010 to 21/03/2011	93.180	0.144
10.	MONEY INSURANCE POLICY FIDELITY-FLOATING	45022127	30/06/2009 to 29/06/2010	0.500	0.003
11.	STANDARD FIRE AND SPECIAL PERILS (Finished Goods Stock at Depots)	11443862	06/05/2010 to 05/05/2011	58.400	.083
12.	BURGLARY BP (Finished Goods Stock at Depots)	44100478	06/05/2010 to 05/05/2011	58.400	0.026
13.	STANDARD FIRE AND SPECIAL PERILS (Plant & Machinery-Parwanoo)	11443862	06/05/2010 to 05/05/2011	13.000	0.017
14.	VEHICLE INSURANCE TOYOTA INNOVA (New)	70786507	14/10/2009 to 13/10/2010	1.275	0.037
15.	VEHICLE INSURANCE MH-02-JP-6921 (SONATA EMBERA)	1-9AW1WX	16/04/2010 to 15/04/2011	0.980	0.023
Bajaj Allianz General Insurance Co. Ltd.					
16.	VEHICLE INSURANCE MH-02-JP-7101 (HONDA CIVIC)	OG-10-1901-1801- 00040503	07/04/2010 to 06/04/2011	0.869	0.018

49. *We have entered into, and will continue to enter into, related party transactions that may not be as commercially favourable to us as non-related party transactions.*

We have, in the course of our business, entered into transactions with related parties that include our Promoters and companies forming part of the Bajaj Group. We continue to rely on our Promoter and Bajaj Group companies for certain key development and support activities. We have also acquired selected assets and liabilities from certain of our Promoters and Bajaj Group companies. While we make significant efforts to ensure our related party transactions are accomplished on an arm's length basis, there can be no assurance that such transactions will be as commercially favourable to us as transactions with non-related parties. For more information regarding our related party transactions, see the section titled “*Financial Statements*” beginning on page 139 of this RHP. Further, our business is expected to involve transactions with such related parties in the future.

50. *Tax exemptions may not be available in future and this will affect our profits after tax.*

Our manufacturing facilities are located in tax-free zones and we currently enjoy exemptions from excise duty for 10 years from the fiscal year ended March 31, 2009 and income taxes for the first five years followed by a concessional income tax rate for the following five years. On account of changes in the tax rate by the Government our effective rate of income tax has increased from approximately 11.3% for the fiscal year ended March 31, 2009 to approximately 17.0% for the fiscal year ended March 31, 2010. Changes in local taxes and the expiration of our current exemptions will likely impact our profitability in the future. Any significant changes in the composition of our business, especially as a result of acquisitions, could also change our effective tax rate. There can be no assurance that we will be successful in maintaining the effective rate of tax near its current level.

51. *There are legal proceedings by and against our Promoters and our Group Companies.*

Legal proceedings initiated against our Individual Promoters:

Shishir Bajaj

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	1	791.3
Tax Proceedings	3	0.8
Criminal Proceedings	6	N/A

Kushagra Bajaj

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	Nil	N/A
Tax Proceedings	1	N/A
Criminal Proceedings	9	N/A

Minakshi Bajaj

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	Nil	N/A
Tax Proceedings	1	N/A
Criminal Proceedings	Nil	N/A

Apoorv Bajaj

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	Nil	N/A
Tax Proceedings	1	N/A
Criminal Proceedings	Nil	N/A

Legal Proceedings initiated against our Corporate Promoter:

Bajaj Consumer Care Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	2	1.4
Tax Proceedings	7	11.5

Legal Proceedings initiated by our Corporate Promoter:

Bajaj Consumer Care Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	2	6.7
Criminal Proceedings	3	0.2

Legal Proceedings of our Group Companies:

A. Bajaj Hindustan Limited

Legal Proceedings initiated against Bajaj Hindustan Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	109	140.9
Tax Proceedings (show cause notices)	94	N/A
Tax Proceedings (cases)	62	160.6

Legal Proceedings initiated by Bajaj Hindustan Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	14	4.9

B. Bajaj Hindustan Sugar & Industries Limited

Legal Proceedings initiated against Bajaj Hindustan Sugar & Industries Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	61	37.3
Tax Proceedings (show cause notices)	6	N/A
Tax Proceedings (cases)	15	37.9

Legal Proceedings initiated by Bajaj Hindustan Sugar & Industries Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	1	N/A

C. Bajaj Capital Ventures Private Limited

Legal Proceedings initiated against Bajaj Capital Ventures Private Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	Nil	N/A
Tax Proceedings (show cause notices)	Nil	N/A
Tax Proceedings (cases)	1	N/A

D. Bajaj Eco-Tec Products Limited

Legal Proceedings initiated against Bajaj Eco-Tec Products Limited

Type of Legal Proceedings	Number of pending cases/ show cause notices/ summons	Financial implication (to the extent quantifiable) (Rs. millions)
Civil & Labour Proceedings	Nil	N/A
Tax Proceedings (show cause notices)	Nil	N/A
Tax Proceedings (cases)	5	0.4

For more information regarding litigation, please refer to the section titled “*Outstanding Litigation and Other Material Developments*” beginning on page 168 of this RHP.

52. ***The funds proposed to be utilized for general corporate purposes may constitute more than 30% of the Issue Size. As on date we have not identified the use of such funds.***

The funds proposed to be utilized for general corporate purposes may constitute more than 30% of the Issue Size. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act.

53. ***Some of our Group Companies have incurred losses during the last three fiscal years.***

As set forth below, some of our Group Companies have incurred losses during last three fiscal years (as per their standalone financial statements).

Sr. No.	Name of the Group Company	Profit/(Loss) after tax (In Rs. million)		
		Financial year ended		
		2009	2008	2007
1.	Bajaj Hindusthan Limited	1,546.14	(501.72)	456.50
2.	Bajaj Hindusthan Sugar and Industries Limited	(89.29)	(757.48)	(251.10)
3.	Bajaj Eco-Tec Products Limited	(739.51)	-	-
4.	Bajaj Capital Ventures Private Limited	(47.70)	3.03	(6.53)
5.	Bajaj Infrastructure Development Company Limited	(5.38)	0.65	(0.01)
6.	Roop Sugars Private Limited*	(0.02)	0.03	(0.03)

* Negative net worth of Rs.0.16 million for the year ended 2009 and Rs.3,000 in 2008.

For further details on these Group Companies, please see the section titled “***Our Promoters and Group Companies***” beginning on page 121 of this RHP.

54. ***We are applicants in respect of several trademark applications, copyright applications, and design applications, which are pending registration. A delay in, or failure to obtain, registration may result in our inability to adequately defend our intellectual property rights.***

We are heavily dependent on our intellectual property. We have obtained intellectual property protection for some of our brands and designs by way of registration under the Trade Marks Act, 1999, the Copyright Act, 1957 and the Designs Act, 2000. However, we have not yet obtained registration for all the trademarks, copyrights and designs we have applied for.

We cannot assure you that any of these applications shall be granted in our favour by the relevant authorities. We may face opposition in relation to our applications. Further, we may ultimately be unsuccessful in our applications, which may result in us incurring costly litigation to defend our intellectual property rights from opposition or infringements, in which case we cannot assure you that we shall be successful in defending the same. For details, please refer to the section titled “***Government and Other Approvals***” beginning on page 266 of this RHP.

55. ***Our Promoters will continue to control our Company after the Issue and can therefore determine the outcome of a shareholders' vote and influence our operations.***

After the Issue is completed, our Promoters will collectively control, directly or indirectly approximately 84.7% of our outstanding Equity Shares. As a result, our Promoters will have the ability to exercise significant control over us and all matters requiring the approval of shareholders, including election of directors, our business strategy, policies and approval of significant corporate transactions such as mergers and business combinations. The interests of our Promoters may conflict with the interest of the other investors, and investors may not agree with the way in which the Promoters exercise their voting rights and powers. This could delay, defer or prevent a change in control of our company, impede a merger, consolidation, take-over or other business combination involving our company, discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our company.

56. *We have in the last 12 months issued equity shares at a price which may be lower than the Issue Price.*

In the 12 months prior to the date of filing of this RHP, our Company has issued equity shares by way of bonus shares at a price which may be lower than the Issue Price. For details of issue of such bonus shares please refer to page 52 of the section titled “*Capital Structure*”.

EXTERNAL RISK FACTORS

57. *Regional hostilities, terrorist attacks or social unrest in India and South Asia or other countries, could adversely affect the financial markets and the trading price of the Equity Shares could decrease.*

Terrorist attacks and other acts of violence or war including those involving India, the United States or other countries, may adversely affect the Indian and worldwide financial markets. Regional hostilities, terrorist acts and social unrest may result in a loss of business confidence and have other consequences that could adversely affect our business, prospects, financial condition and results of operations. Increased volatility in the financial markets, including economic recession, can have an adverse impact on the economies of India and other countries.

In addition, South Asia has from time to time experienced instances of civil unrest and hostilities among neighbouring countries, including between India and Pakistan. Present relations between India and Pakistan continue to be fragile because of issues such as terrorism, armament and other political and social matters. Increased tensions and hostilities may occur in the future and on a wider scale. Also, since 2003, there have been military hostilities and continuing civil unrest and instability in Iraq and Afghanistan. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy by disrupting communications and making travel and transportation more difficult.

India has also experienced social unrest, communal disturbances and riots in some parts of the country during recent times. Such political and social tensions could create a perception that investments in Indian companies involve greater degrees of risk. These hostilities and tensions could lead to political or economic instability in India and a possible adverse affect on the Indian economy, our business, future financial performance and the trading price of the Equity Shares.

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

Our performance and growth is necessarily dependent on the health of the overall Indian economy. However, the growth in industrial production in India has been variable. Any slowdown in the Indian economy or future volatility of global crude oil and commodity prices, could adversely affect our business.

59. *Natural calamities could adversely affect the Indian economy, our business and the price of our Equity Shares.*

India has experienced natural calamities such as earthquakes, floods, drought and a tsunami in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. For example, in 2003, many parts of India received significantly less than normal rainfall. As a result of the drought conditions in 2003, the agricultural sector recorded a negative growth of 7.2%. Also, the erratic progress of the monsoon season in 2005 adversely affected sowing operations for certain crops and resulted in a decline in the growth rate of the agricultural sector from 10.0% in 2004 to negligible growth in 2005. The agricultural sector grew by 5.9% in 2006 and by 3.8% in 2007. More recently, floods in the Uttar Pradesh region contributed to growth in the agricultural sector falling to 2.6% in 2008. Further, prolonged spells of below or above normal rainfall or other natural calamities could adversely affect the Indian economy and our business.

60. *Investors in our Equity Shares may not be able to enforce a judgment of a foreign court against us, our directors or executive officers.*

Many of our directors and executive officers and some of the experts named herein are residents of India and most of our assets and the assets of our directors and executive persons are located in India. As a result, it may not be possible for investors to:

- effect service of process upon us, our directors and executive officers in countries outside India, including the United States, or
- enforce, in Indian courts, judgments obtained in foreign courts, against us or such persons or entities.

- 61. *Financial instability in other countries, including developed economies, could adversely affect the financial markets and the trading price of the Equity Shares could decrease.***

Although economic conditions are different in each country, investors' reactions to developments in one country may have an adverse effect on the securities of companies in other countries including India. A loss of investor confidence in the financial systems of other markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

- 62. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessment of our financial condition.***

As stated in the reports of our independent auditors included in this RHP, our financial statements are prepared and presented in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this RHP to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries.

- 63. *Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund growth on favourable terms or at all.

RISKS RELATED TO THIS ISSUE

- 64. *The price of our Equity Shares may be volatile, and investors may be unable to resell their Equity Shares at or above the Issue Price, or at all.***

There has been no public market for our Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of our Equity Shares may bear no relationship to the market price of our Equity Shares after the Issue. The market price of our Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the FMCG industry in India, developments relating to India and volatility in the BSE and the NSE and securities markets elsewhere in the world.

- 65. *We cannot warrant that our securities will continue to be listed on the Stock Exchanges.***

Pursuant to the listing of our securities on the Stock Exchanges, we shall be required to comply with certain regulations and/or guidelines as prescribed by SEBI and the Stock Exchanges. However, in the event that we fail to comply with any of the aforesaid regulations and/or guidelines, we cannot warrant that our securities will continue to be listed on the Stock Exchanges.

- 66. *There may not be an active or liquid market for our Equity Shares, which may cause the price of our Equity Shares to fall and may limit an investor's ability to sell our Equity Shares.***

The price at which our Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors and industries in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- significant developments in India's economic liberalisation and deregulation policies.

In addition, the Indian stock market has from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in our Equity

Shares may experience a decrease in the value of our Equity Shares regardless of our operating performance or prospects.

67. *The ability to sell our Equity Shares by a non resident Indian to a resident Indian may be subject to certain pricing restrictions.*

A person resident outside India (including a Non-Resident Indian) is generally permitted to transfer by way of sale the shares held by him to any other person resident in India without the prior approval of the RBI or the FIPB. However, it should be noted that the price at which the aforesaid transfer takes place must comply with the pricing guidelines prescribed by SEBI and the RBI. The RBI has published a Circular, dated October 4, 2004, prescribing the pricing guidelines in the case of a sale of shares by a non-resident to a resident. The guidelines stipulate that where the shares of an Indian company are traded on a stock exchange:

- the sale may be at the prevailing market price on the stock exchange if the sale is effected through a merchant banker registered with SEBI or through a stock broker registered with the stock exchange; or
- if the transfer is other than that referred to above, the price shall be arrived at by taking the average quotations (average of daily high and low) for one week preceding the date of application.

68. *There may be less information available on our Company in Indian securities markets than in securities markets in developed countries.*

There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants and that of markets in the European Union, the United States and other developed economies. There may, however, be less publicly available information about Indian companies than is regularly made available by public companies in developed economies. Consequently, an investment in an Indian company, such as ours, may be riskier than an investment in a European or American company if investors assume that Indian markets are subject to the same level of regulation and make available the same level of information as Western markets.

69. *We do not have a fixed dividend policy and the dividends paid out in the past are not an indication of our dividend policy in the future.*

We do not have a fixed dividend policy and the dividends paid out in the past are not an indication of our dividend policy in the future. Our ability to declare dividends in relation to our Shares will also depend on our future financial performance which, in turn, depends on the successful implementation of our strategy and on financial, competitive, regulatory, and other factors, general economic conditions, demand and fares, costs of materials and other factors specific to our industry, many of which are beyond our control. Volatile conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.

70. *The Indian securities markets are smaller and can be more volatile than securities markets in more developed economies. The Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities.*

Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies. These problems have included 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 imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. Similar problems could happen in the future and, if they do, they could affect the market price and liquidity of our Equity Shares.

71. *Any future issuance of our Equity Shares by us may dilute an investor's shareholding and adversely affect the trading price of our Equity Shares.*

Any future issuance of our Equity Shares by us may dilute an investor's shareholding, adversely affect the trading price of our Equity Shares and our ability to raise capital through an issue of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally the disposal, pledge or encumbrance of our Equity Shares by any of our major shareholders,

or the perception that such transactions may occur may affect the trading price of our Equity Shares. No assurance may be given that we will not issue our Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

Subsequent to listing, we will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of our Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of our Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell our Equity Shares or the price at which shareholders may be able to sell their our Equity Shares.

73. ***Investors will not be able to sell immediately on an Indian stock exchange any of our Equity Shares they purchase in the Issue until the Issue receives the appropriate trading approvals.***

Our Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before our Equity Shares can be listed and trading may commence. Investors' book entry, or "demat", accounts with depository participants in India are expected to be credited within two working days of the date on which the basis of allotment is approved by NSE and the BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in our Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. We cannot assure investors that our Equity Shares will be credited to investors' demat accounts, or that trading in our Equity Shares will commence, within the time periods specified above. Any delay in obtaining the approvals would restrict the investor's ability to sell our Equity Shares.

74. ***Any trading closures at the BSE and the NSE may adversely affect the trading price of our Equity Shares.***

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including our Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of our Equity Shares.

Prominent Notes

1. Our Company was incorporated on April 25, 2006, as "Bhaumik Agro Products Private Limited". For details of changes in the name and registered office of our Company, please see the section titled "***History and Certain Corporate Matters***" beginning on page 105 of this RHP.
2. Public Issue of 4,500,000 Equity Shares for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] million. The Issue will constitute 15.3 % of the fully diluted post issue paid up equity capital of our Company.
3. Our Company's net worth as at March 31, 2010 was Rs. 256.1 million.
4. The net asset value per equity share was Rs. 10.24 as at March 31, 2010 as per our Company's restated financial statements, pre split, consolidation and bonus, post split, consolidation and bonus the net asset value per Equity Share was Rs. 10.24 as at March 31, 2010.
5. The average cost of acquisition per Equity Share by our Promoter, BCCL is Rs.2. The average cost of acquisition has been calculated by dividing the aggregate amount paid by our Promoter, BCCL to acquire our Equity Shares held by him with the aggregate number of Equity Shares held by BCCL.

6. Related party transactions:

Related Party Transactions (Rs. millions)	March 31, 2008	March 31, 2009	March 31, 2010
Key Management Personnel		26.77	22.61
Parties with Substantial Interest	50.00	751.04	1,651.09
Total	50.00	777.8	1,673.70

For details of the related party transactions entered into by our Company, please see the section titled “**Financial Statements**” beginning on page 139 of this RHP.

7. Investors may contact the BRLM for complaints, information or clarifications pertaining to the Issue.

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

The information presented in this section has been obtained from publicly available documents, Nielsen Retail Audit Report and various other sources including stock exchange and industry related websites, from publications; and is based on government and company estimates. Industry and Government websites and publications generally state that the information contained thereon has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe industry, market and government data used in the Prospectus is reliable and that website data is as current as practicable, these have not been independently verified by us or any agency on our behalf. Similarly, our Company's internal estimates, which we believe to be reliable, have not been verified by any independent agencies.

Hair Oil Industry

Of the estimated Rs.1, 611 billion FMCG market in India, hair care products make up approximately Rs.91.5 billion, or 8%, of the total according to the Nielsen Retail Audit Report. The 14% growth rate in the hair care industry is also slightly higher than the overall industry average of 13.4%. Shampoo and hair oils, including coconut oils, continue to be the key components of this segment. Recent growth in the hair oil industry has primarily been the result of volume growth due to increased distribution and higher per dealer off-takes. Rural distribution campaigns by hair oil manufacturers and dealers have helped to greatly expand the geographic coverage of hair oil products into the rural parts of the country. In addition, average prices for hair oil products have risen from Rs. 22.25 per 100 ml in 2008 to Rs.23.74 per 100 ml in 2009 according to the Nielsen Retail Audit Report. This price increase is reflective of the shift to higher quality branded products resulting from a more affluent Indian consumer population.

Light Hair Oil Segment

The light hair oil segment has experienced significant growth in recent years as consumers opt for lighter, more modern hair oil products. The light hair oil segment recorded sales of Rs.6,828 million in 2009 according to the Nielsen Retail Audit Report. Sales growth was primarily the result of dealer expansion and higher throughputs resulting in higher volumes sold. An increase in average price has also contributed to higher sales value in 2009.

The light hair oil segment is dominated by three key players, namely Bajaj Almond Drops and two other brands which together accounted for approximately 83.8% of sales volume according to the Nielsen Retail Audit Report. The high degree of concentration among the competition in the light hair oil segment is similar to what is observed in other segments of the hair oil industry.

Light hair oil is an urban dominated segment primarily due to its comparatively high cost. Light hair oil sales also tend to be more geographically concentrated, particularly in the northern regions of the country, namely Punjab, Delhi, Uttar Pradesh and Rajasthan, due to higher disposable incomes and the propensity of consumers to try new products. The northern regions accounted for approximately 52% of sales volumes and grew by 10% (volume growth) in FY 2009-10 according to the Nielsen Retail Audit Report.

Distribution of light hair oils continues to be dominated by grocers, who accounted for 58% of sales volumes in India and 54% in the northern regions in FY 2009-10 according to the Nielsen Retail Audit Report. In 2009, chemists accounted for the highest growth (13%) according to the Nielsen Retail Audit Report, primarily as a result of many chemists adding consumer goods to their product mix. Though modern trade ("MT") is growing at a robust 12%, it contributes only 1% of the light hair oil sales volumes.

Packaging continues to be a critical factor driving sales in the FMCG industry, including hair oils. Proper product positioning and package size are especially important in driving sales growth in the rural areas of the country that continue to be dominated by unbranded products. Smaller pack sizes allow consumers the choice of purchasing a product that might otherwise be beyond their spending constraints. As distribution spreads into the rural parts of the country, smaller pack

sizes, including sachets, have become increasingly important. While 100 ml packs continue to be the most popular choice among Indian consumers of light hair oil products, 300 ml and 75 ml package sizes recorded the most significant growth in 2009 according to the Nielsen Retail Audit Report.

Heavy Amla Hair Oils

The heavy amla hair oil segment has seen strong growth in recent years. The heavy amla hair oil market is primarily an urban driven market and tends to be geographically concentrated in the northern parts of the country. The heavy amla hair oil segment recorded sales of Rs.7, 370 million in FY 2009-10, representing a growth rate of 4.7% from FY 2008-09, according to the Nielsen Retail Audit Report. Sales growth was primarily the result of higher volume and per dealer off-take increases during FY 2009-10.

The heavy amla hair oil segment is largely dominated by one key player, with several players competing for increased market share. Although the leader continued its dominance in FY 2009-10, Bajaj Brahmi Amla registered the highest gains in this segment, growing its market share by 0.2% over FY 2008-09.

Cooling Oils

Cooling Oils have emerged as an important segment in the Indian hair oil market. Cooling oils are hair oils meant for cooling the scalp during the harsh summer months. The ingredients in the cooling oils cause immediate relief by cooling the scalp. The CAGR of the category has been 20% over the last 5 years. The cooling oil category is now nearly Rs. 7,000 million in the financial year ended March 31, 2010.

Outlook

The industry outlook is positive with demand for hair oils expected to increase in response to the following:

- Changing Consumer Preferences
- Value Added Hair Oils
- Increased Distribution
- Improved Brand Image

Summary

The overall possible increase in consumption provides a large opportunity for hair oil companies. The task of winning over consumers by drawing them to a particular brand and retaining them however remains challenging. Constant interactions with consumers and thereby gaining insights that would lead to new products and improved product delivery are the key ingredients to successfully tapping this opportunity. Cutting through confusing advertisements will require communication to be that much more distinctive. Companies in the hair oil sector that will achieve success in the future are likely to be those that focus on meeting the consumer's stated and unstated needs and at the same time are able to communicate effectively. The ability to maintain a premium, both real and perceived, will be a critical component to being a leader in the hair oil industry.

SUMMARY OF OUR BUSINESS

Investors should note that this is only a description of our business and operations and does not contain all the information that should be considered before investing in our Equity Shares. Before deciding to invest in our Equity Shares, prospective investors should read the entire RHP, including the information in the sections “Risk Factors”, “Financial Information” and “Management Discussion and Analysis of Financial Condition and Results of Operation” beginning on pages 9, 139 and 158 respectively of this RHP.

Overview

Bajaj Corp Ltd is one of India's leading producers of hair oils. We are part of the Shishir Bajaj Group of companies (the "Bajaj Group"). Through its subsidiaries, the Bajaj Group operates businesses in the consumer goods, sugar, power generation and infrastructure development industries throughout India. The "Bajaj" name is a well-recognized Indian brand that consumers associate with quality products at competitive prices. The Bajaj Group has grown into one of India's leading business conglomerate

The legacy of Bajaj Corp extends back to 1953 when Mr. Kamal Nayan Bajaj established Bajaj Sevashram ("BSL") to market and sell hair oils and other beauty products. In 2001, in view of the impending Bajaj family settlement, the business was demerged to Bajaj Consumer Care Limited ("BCCL"). BSL assigned the trademarks for all of the brands we currently sell to BCCL. Subsequently, BCCL licensed these brands to us, pursuant to the Trademark License Agreement. The exclusive agreement is valid for a term of 99 years from March 12, 2008 and is extendable for an additional ten years. We began operating as Bajaj Corp Ltd in April 2008. The Trademark License Agreement granted us the exclusive right to use, manufacture, advertise, distribute and sell the products associated with these brands. We have since become India's third largest producer of hair oils and the largest producer of light hair oils, capturing an estimated 50.3% of the light hair oil market (based on value) in fiscal year 2009-10, according to the Nielsen Retail Audit Report. We believe that our name recognition, product quality and marketing experience have enabled us to create one of the stronger consumer brands in India. Our key product is Bajaj Almond Drops, a premium brand that is currently the market leader in the light hair oil segment. Almond Drops accounted for approximately 92.4% of our net sales in the fiscal year ended March 31, 2010. In addition, we market our hair oil under the brand names Brahmi Amla, Amla Shikakai and Jasmine Hair Oil. We also produce oral care products under the brand name Bajaj Black Tooth Powder.

We manufacture our products at three company-operated facilities in Parwanoo, Dehradun and Ponta Sahib. We commenced commercial operations at our company-operated facility in Ponta Sahib in March 2010. By completing this 3,500 square meter facility in Paonta Sahib, we increased our production capacity for light hair oil from 39 million litres per annum to 74 million litres per annum. In addition, we also engage third-party manufacturers at Parwanoo, Himachal Pradesh for hair oils and Udaipur, Rajasthan to produce our oral care products. These third-party facilities have a combined installed capacity of 9 million litres per annum. As of March 31, 2010, the combined production capacity for all company and third-party operated production facilities was 83 million litres per annum.

We market our products through our in-house sales team as well as sales personnel employed through our distributors. These sales personnel are responsible for making our brands available throughout India. We manage a distribution network that includes 4,600 distributors, or "stockists", that sell to more than 1.56 million retail outlets located throughout India.

We believe we are well-positioned to compete in a dynamic marketplace by offering our customers high quality products at affordable prices. We believe that demand for fast moving consumer goods ("FMCG"), particularly hair oil, will continue to increase, most notably in rural areas of India where consumers have generally experienced an increase in disposable incomes due to farmers shifting to cash crops, rural employment generation schemes and general economic growth.

In fiscal year ended March 31, 2010, we recorded net sales of Rs.3,300 million. Net sales of our products have grown at a CAGR of 32.4% over the last three fiscal years (including sales data from when our products were sold by BCCL). Our profit after tax for the fiscal year ended March 31, 2010 was Rs.839.1 million. Domestic sales accounted for approximately 99.5% of net sales for the same period.

Competitive Strengths

We believe that we are well-positioned to maintain our status as one of the leaders in the Indian hair oil market as well as to exploit significant growth opportunities in the expanding market for light hair oil. We have identified the following sources of strength that are relevant for our business.

Leading brands

Almond Drops is our leading product brand and currently comprises approximately 92.4% of our net sales. Almond Drops is a premium light hair oil containing almond oil and Vitamin E, which contribute to the product's reputation for leaving users with healthier hair. Unlike most hair oils which are packaged in plastic PET bottles, Almond Drops is packaged in glass bottles, which preserves the product for a longer period of time even in high temperatures generally experienced throughout India. In addition, we believe Brahmi Amla, our key product in the traditional hair oil segment, has developed a loyal customer base since it began production in 1953. The strong positioning of these brands has contributed to sustained increases in both the price and volume of these products and we expect this trend to continue as the hair oil market continues to grow, and in particular as the light hair oil market continues to capture market share from the coconut hair oil segment.

Wide distribution reach

We have established a strong distribution network in India and currently have 4,600 distribution stock points for direct distribution and 8,900 wholesalers for indirect distribution of our products. Based on the Nielsen Retail Audit Report, it is estimated that our products are sold in more than 1.56 million retail outlets across India, which is approximately 28.7% of the total hair oil outlets in India. Our distribution outlets are strategically spread across India in order to allow us to compete on a national scale. We have been increasing and will continue to increase the size of our stock points and sales team, particularly in the rural areas where we expect growth to be more significant. Our distribution network is supported by a comprehensive management information system ("MIS") whereby sales reports are generated by our on-the-ground sales force. We believe our wide distribution reach will allow us to achieve optimal product penetration going forward and increase our revenues and profit margin.

Strong product heritage

The products that we sell in the hair oil market have a strong brand heritage, some dating back more than 50 years. We believe we have a portfolio of strong-brands which are well-recognised in the Indian market. For example, BSL began manufacturing one of our most popular products, Brahmi Amla, in 1953. Almond Drops, which BSL began producing in 1990, is our most successful product and currently captures more than 50.3% of the market in the light hair oil segment in terms of both volume and value, according to the Nielsen Retail Audit Report. In addition, we believe the "Bajaj" name will help us to grow our sales in the rural parts of India, an area critical to our future growth strategy. We believe the strength of the brands we produce, along with the brand recognition and trust engendered to the "Bajaj" name, will position us well for anticipated future growth in the hair oil market, as well as other FMCG segments that we may decide to enter.

Strong financial position

We have a strong financial position which. Our profit after tax for the fiscal year ended March 31, 2010 was Rs.839.1 million. We are a debt free Company. We believe our strong financial position and operational results will provide us with the necessary working capital and access to banking and credit facilities, if required, to implement our growth strategy. Our ability to raise additional funds through first time borrowing should allow us to pursue inorganic growth opportunities and allow us to expand and enhance our existing product offerings and improve our future financial performance.

Relationship with the Bajaj Group

The Bajaj Group was founded in 1926 by Shri Jamnalal Bajaj. Today, the Bajaj Group is one India's leading conglomerates operating companies in a variety of industries such as sugar, consumer goods, power generation and infrastructure

development. Over the past 84 years, the Bajaj Group has grown with India, enduring periods of uncertainty, hardship and progress. As a result, we believe the Bajaj name and the products of the Bajaj Group, including our own, engender a sense of pride in the Indian people which is linked to their growth and the development of the nation. We believe that our association with the Bajaj Group and the Bajaj name and the trust associated with them are a key strength of our business.

Business Strategies

We intend to grow our business by implementing the following key strategies:

Grow our hair oil business

Our primary focus is to increase our share of the hair oil market. We intend to achieve this by differentiating our light hair oil products from those of our competitors, as well as by taking market share from producers in the coconut oil market. Coconut oils make up approximately 60% of the total hair oil market by volume, while light hair oils comprise only 13% by volume. If we are able to effectively communicate the advantages of switching to lighter hair oils such as ours, we believe this provides us with a significant growth opportunity. We will continue to pursue a strategy of converting coconut oil users into consumers of our light hair oil products through sampling, targeted advertising campaigns and product innovation.

Increase our focus on rural markets

We believe that our focus on rural markets for our products will allow us to benefit from this growing sector where, as a result of difficulties with distribution, penetration of branded FMCGs has been slow to develop. The market for hair oils in rural India is growing due to the rural populations increase in disposable income which is related to farmers shifting to cash crops, rural employment generation schemes, general economic growth as well as a general monetary trickle-down effect from increased urbanization. For example, the proportion of rural sales (based on value) of Almond Drops has grown from 29.4% in 2006-07 to 37.5% in 2009-10. A key component to our growth in the rural market will be shifting rural consumers to branded and packaged products from unbranded products. We intend to work towards the goal by providing rural consumers with an appropriate value proposition including price, positioning, and packaging.

Enter new product lines and segments

In the past, we have been able to introduce and establish new products in new or existing segments, such as Bajaj Amla Shikakai hair oil. Going forward, we intend to leverage our existing strengths, such as the use of almond extracts, the Almond Drops brand name and a strong distribution network, to create new products in other areas of the FMCG space such as soaps, shampoos, creams and other hair care products. Almond Drops enjoys strong brand equity in the premium light hair oil segment and we will continue to seek opportunities to extend this brand equity to other premium personal care products. We intend to continuously evaluate changing tastes and preferences of Indian consumers with increasingly sophisticated needs, with the goal of creating a pipeline of new products.

The rapidly growing cooling hair oil market, in particular, represents an opportunity for us to penetrate as it offers relatively high margins. Cooling hair oil is applied to provide respite from intense heat. Growth in the cooling oil market is especially prevalent in the rural areas of India, a geographic market we are particularly keen on focusing our marketing efforts. Competition in the cooling oil market is less intense than in other FMCG markets in India. We believe the "Bajaj" name and our current portfolio of brands command strong recall and we intend to leverage this brand recall into developing our own cooling oil product. The process of launching a new cooling oil brand will be supported by our strong research and development team, which we intend to expand with the completion of our new facility in Paonta Sahib. In addition, our wide distribution reach should help us to successfully launch and support any new brand in the cooling oil market.

Pursue inorganic growth opportunities

We will continuously seek out inorganic growth opportunities in the FMCG and hair oil markets as one of the avenues for our future growth. If and when appropriate opportunities arise, we will consider acquiring suitable targets and entering into strategic relationships as part of our growth strategy in India. We will specifically target companies where we feel

significant synergies would arise through a strategic combination. We believe our strong nationwide distribution network would enable us to take a product that has historically enjoyed regional success and turn it into household name. Strategic acquisitions will act as a key enabler in growing our business.

SUMMARY FINANCIAL INFORMATION

The following tables set forth our selected historical financial information derived from the restated financial information for the fiscal years ended March 31, 2007, 2008, 2009 and 2010. The restated summary financial information presented below should be read in conjunction with the restated financial information included in this RHP, the notes thereto and the section titled “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 158 of this RHP. Indian GAAP differs in certain significant respects from US GAAP and IFRS.

Restated Statement of Profit & Loss Account

	Year ended March 31,			
	2007	2008	2009	2010
	(Rs. In millions)			
INCOME				
Sales				
-Manufactured	-	-	1,492.00	2,802.28
-Traded	-	-	952.22	497.68
Total	-	-	2,444.22	3,299.96
Other Income	-	0.01	17.65	51.34
Increase/(Decrease) in Inventories	-	-	58.39	(2.61)
Total Income	-	0.01	2,520.26	3,348.69
EXPENDITURE				
Materials				
-Materials Consumed	-	-	668.09	951.55
-Purchase of Traded Goods	-	-	478.95	201.36
Manufacturing Expenses	-	-	10.32	12.32
Staff Costs	-	-	112.96	138.57
Administrative & Other Expenses	0.02	0.09	21.23	29.70
Selling & Distribution Expenses	-	-	694.69	989.57
Finance Cost	-	0.06	0.58	1.31
Depreciation & Amortization	-	0.16	4.40	8.76
Total Expenditure	0.02	0.30	1,991.23	2,333.14
Profit Before Tax & Extraordinary Items	(0.02)	(0.29)	529.03	1,015.55
Taxation	-	0.35	59.11	176.42
Profit Before Extraordinary Items	(0.02)	(0.63)	469.92	839.13
Extraordinary Items	-	-	-	-
Profit After Tax & Extraordinary Items	(0.02)	(0.63)	469.92	839.13
Balance Brought Forward from Previous Year	-	(0.02)	(0.65)	466.34
Net Profit Available for Appropriation	(0.02)	(0.65)	469.27	1,305.47
Appropriation:				
Proposed/Interim Dividend on Equity Shares	-	-	2.50	920.00
Tax on Dividend	-	-	0.43	156.35
Transfer to General Reserves	-	-	-	132.50
Capitalized During the Year for Bonus Shares	-	-	-	75.00
Balance Carried Forward as Restated	(0.02)	(0.65)	466.34	21.62

Restated Statement of Assets & Liabilities

	Year ended March 31,			
	2007	2008	2009	2010
	(Rs. In millions)			
A. Fixed Assets				
Gross Block	0.00	27.51	49.97	196.37
Less: Accumulated Depreciation	0.00	0.07	4.31	12.75
Net Fixed Assets	-	27.45	45.66	183.62
Less: Revaluation Reserves	-	0.00	0.00	0.00
Net Fixed Assets after Revaluation Reserves	-	27.45	45.66	183.62
Capital Work in Progress	-	8.51	18.00	0.00
TOTAL (A)	-	35.96	63.66	183.62
B. Investments	-	-	-	21.01
C. Deferred Tax Assets	-	(0.16)	2.15	(0.57)
D. Current Assets, Loans & Advances				
Inventories	-	-	77.36	98.92
Sundry Debtors	-	-	3.25	29.00
Cash & Bank Balances	0.10	13.18	510.35	167.52
Loans & Advances	-	1.99	88.80	24.81
TOTAL (D)	0.10	15.17	679.76	320.25
E. Liabilities & Provisions				
Secured Loans	-	-	-	-
Unsecured Loans	0.03	-	-	-
Current Liabilities	0.01	1.79	201.83	215.17
Provisions	-	0.19	27.95	53.04
TOTAL (E)	0.04	1.98	229.78	268.21
F. Net Worth (A+B+C+D-E)	0.06	48.99	515.79	256.10
G. Represented By				
Equity Share Capital	0.10	50.00	50.00	125.00
Reserves & Surplus	(0.02)	(0.65)	466.34	154.12
Revaluation Reserves	-	-	-	-
Total	0.08	49.35	516.34	279.12
Less: Misc. Expenditure	0.02	0.36	0.55	23.02
Net Worth	0.06	48.99	515.79	256.10

THE ISSUE

The following table summarises the Issue details:

Issue of Equity Shares	4,500,000 Equity Shares
<i>Of which</i>	
A) QIB Portion	At least 2,700,000 Equity Shares
<i>Of which</i>	
- Anchor Investor Portion	Up to 810,000 Equity Shares
- Non Anchor QIB Portion	1,890,000 Equity Shares
<i>Of which</i>	
• Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	94,500 Equity Shares ⁽²⁾
• Balance for all QIBs including Mutual Funds	1,795,500 Equity Shares ⁽²⁾
B) Non-Institutional Portion	Not less than 450,000 Equity Shares ⁽²⁾
C) Retail Portion	Not less than 1,350,000 Equity Shares ⁽²⁾
Pre- and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	25,000,000 Equity Shares
Equity Shares outstanding after the Issue	29,500,000 Equity Shares
Use of Issue Proceeds	See the section titled “ <i>Objects of the Issue</i> ” beginning on page 59 of this RHP.

(1) Our Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. For details see the section titled “**Issue Procedure**” beginning on page 288 of this RHP.

(2) Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. If at least 60% of the Issue cannot be allocated to QIBs, the entire application money shall be refunded.

GENERAL INFORMATION

Our Company, Bajaj Corp Limited, was incorporated on April 25, 2006 under the Companies Act with the Registrar of Companies, Maharashtra. For details of changes in name and registered office, see the section titled “*History and Certain Corporate Matters*” beginning on page 105 of this RHP.

Registered Office of our Company

Bajaj Corp Limited

2nd Floor, Building No. 2,
Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri (East),
Mumbai – 400 093.
Tel: + 91 22 66919 477 / 78
Fax: + 91 22 66919 476
Website: www.bajajcorp.com

Our Company is registered with the Registrar of Companies, Maharashtra, situated at Everest, 100, Marine Drive, Mumbai - 400 002, India.

Corporate Identification Number: U01110MH2006PLC161345

Corporate Office of our Company

Bajaj Corp Limited

Old Station Road,
Udaipur – 313 001.
Tel: + 91 294 2561631 / 32
Fax: + 91 294 2561631
Website: www.bajajcorp.com

Board of Directors

The following table sets out the current details regarding our Board as on the date of filing of this RHP.

Name, Designation, Term, Occupation and DIN	Age (years)	Address
Mr. Kushagra Bajaj <i>Designation:</i> Non executive -Chairman <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Industrialist <i>DIN:</i> 00017575	33	100 Mount Unique, 62-A Peddar Road, Mumbai-400026
Mr. R.F.Hinger <i>Designation:</i> Vice Chairman and Whole Time Director <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Service <i>DIN:</i> 00974574	70	436, Panchratna Complex, Opp. Galaxy Apartments, Bedla Road, Udaipur-313001
Mr. Sumit Malhotra <i>Designation:</i> Whole Time Director <i>Term:</i> Liable to retire by rotation	48	5A Regency Park Eden Woods, Pokhran Road No 2, Near VasantVihar, Nr Popler Bld, Thane

Name, Designation, Term, Occupation and DIN	Age (years)	Address
<i>Occupation: Service</i>		
<i>DIN: 02183825</i>		
Mr. Haigreve Khaitan	40	1104, Sterling Sea Face, Dr. Annie Besant Road, Worli, Mumbai 400 018
<i>Designation: Independent and Non-Executive Director</i>		
<i>Term: Liable to retire by rotation</i>		
<i>Occupation: Lawyer</i>		
<i>DIN: 00005290</i>		
Mr. Gaurav Dalmia	43	20-F, Prithviraj Road, New Delhi, 110 011
<i>Designation: Independent and Non-Executive Director</i>		
<i>Term: Liable to retire by rotation</i>		
<i>Occupation: Industrialist</i>		
<i>DIN: 00009639</i>		
Mr. Dilip Cherian	54	A-20, Nizamuddin East, New Delhi 110 013
<i>Designation: Independent and Non-Executive Director</i>		
<i>Term: Liable to retire by rotation</i>		
<i>Occupation: Professional</i>		
<i>DIN: 00322763</i>		
Mr. Aditya Vikram Somani	36	131, Laxmi Vilas, Nepeansea Road, Mumbai 400 006.
<i>Designation: Independent and Non-Executive Director</i>		
<i>Term: Liable to retire by rotation</i>		
<i>Occupation: Industrialist</i>		
<i>DIN: 00046286</i>		

A brief profile of our Directors is given below:

Mr Kushagra Bajaj
Non- Executive Chairman

Mr Kushagra Bajaj, aged 33 years, is the non-executive chairman of our Company since September 14, 2007 and is one of the Promoters of our Company. He holds a bachelors degree of science in economics, political philosophy and finance from the Carnegie Mellon University, Pittsburgh, USA and a masters degree in science in marketing and finance from the Northwestern University, Chicago, USA. He has over 10 years of experience in the consumer and sugar industry.

Mr Roshan F. Hinger*Vice-Chairman and Whole Time Director*

Mr Roshan F. Hinger, aged 70 years, is the vice chairman and whole time Director of our Company. He holds a bachelors degree of science from the University of Udaipur. He has over 45 years of experience in the FMCG business. He joined our Company on September 14, 2007 and is responsible for leading and directing our Company's strategy and business operations.

Mr Sumit Malhotra*Whole Time Director*

Mr Sumit Malhotra, aged 48 years, is the whole time Director of our Company. He holds a bachelors degree in pharmacy with honours from Institute of Technology, Benaras Hindu University, Varanasi and a post graduate diploma in business management from IIM, Ahmedabad. He has over 23 years of experience in the FMCG sector. He joined our Company on April 1, 2008 and is responsible for leading the sales and marketing department of our Company. Prior to joining our Company he was president, sales and marketing of BCCL since 2004.

Mr Haigreve Khaitan*Independent Non-Executive Director*

Mr Haigreve Khaitan, aged 40 years, is an independent Director of our Company. He holds a bachelors degree in law from the Calcutta University and is a lawyer by profession. He is a member of the Bar Council of West Bengal, Incorporated Law Society, International Bar Association, London, the Indian Council of Arbitration, the Indian Law Institute, the Bar Association of India and the Entrepreneurs Organization. He has over 15 years experience in legal field. Mr. Khaitan has been recommended by several leading publications; Chambers & Partners and Legal 500 have recommended him for his Mergers and Acquisitions expertise and PLC Which Lawyer has recommended him for his expertise in Mergers and Acquisitions, Restructuring and Insolvency, Real Estate and Project Finance. He joined our Company on February 4, 2010.

Mr Gaurav Dalmia*Independent Non-Executive Director*

Mr Gaurav Dalmia, aged 43 years, is an independent Director of our Company with effect from February 4, 2010. He holds a bachelors degree in computer science from Salford University, UK and has completed his masters in business administration with Beta Gamma Sigma honors from Colombia University, USA. He is a member of the Dalmia industrial family which has substantial business interests in India, UK and USA. He has co-founded 'Infinity', India's first angel investment fund with a corpus of \$35 million. Mr. Dalmia was selected as the Global Leader for Tomorrow for the year 2000 by the World Economic Forum.

Mr. Dilip Cherian*Independent Non-Executive Director*

Mr. Dilip Cherian, aged 54 years, is an independent Director of our Company with effect from February 4, 2010. He holds a bachelors degree in Economics from the Presidency College, University of Calcutta and a masters degree in Economics from the Delhi School of Economics, University of Delhi. Mr Cherian has a long standing career in varied fields including journalism and management consulting. He was also an Economic Consultant in the Bureau of Industrial Costs in the Ministry of Industry, Government of India. Mr. Cherian is also on the board of various government and non-profit making organizations like the Advertising Standards Council of India, Mudra Institute of Communication, Ahmedabad, JIVA Institute, Governing Council of the National Institute of Design, Honorary Director General of the Centre of Image Management Studies and Apex Committee of Shareholders Education and Grievance Redressal of the Ministry of Corporate Affairs.

Mr. Aditya Vikram Somani*Independent Non-Executive Director*

Mr. Aditya Vikram Somani, aged 36 years, is an independent Director of our Company with effect from February 4, 2010. He holds a masters degree in commerce from Sydenham College, Mumbai, post graduate diploma in business management from S.P.Jain Institute of Management and Research, Mumbai and masters in business administration from University of Pittsburgh, USA. He is the promoter director of Everest Industries Limited, leading manufacturers of building products and steel pre-engineered buildings. Further, Mr. Somani is associated with various social service organizations working towards the areas of health, education, skill building amongst weaker sections of society.

For further details of our Directors, see the section titled “*Our Management*” beginning on page 111 of this RHP.

Company Secretary and Compliance Officer

Mr. D.K. Maloo

Bajaj Corp Limited
Old Station Road,
Udaipur – 313 001.
Tel: + 91 294 2561631 / 32
Fax: + 91 294 2561631
Email: complianceofficer@bajajcorp.com

Investors can contact our Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders.

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

Book Running Lead Manager

Kotak Mahindra Capital Company Limited

1st Floor, Bakhtawar,
229, Nariman Point,
Mumbai - 400 021,
Maharashtra, India.
Tel: + (91 22) 6634 1100
Fax: + (91 22) 2284 0492
E-mail: bcl.ipo@kotak.com
Investor Grievance E-mail: kmccredressal@kotak.com
Website: www.kmcc.co.in
Contact Person: Mr. Chandrakant Bhole
SEBI Registration No.: INM000008704

Syndicate Member

Kotak Securities Limited

2nd Floor, Nirlon House,
Dr. A.B. Road,
Near Passport Office,
Worli, Mumbai - 400 025,
Maharashtra, India.
Tel: + (91 22) 6740 9708
Fax: + (91 22) 6662 7330
E-mail: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Mr. Umesh Gupta
SEBI Registration No.: BSE - INB01808153 and NSE - INB230808130

Domestic Legal Counsel to our Company

Khaitan & Co

Advocates, Solicitors, Notaries, Patent & Trademark Attorneys
13th Floor,
One Indiabulls Centre,
841 Senapati Bapat Marg,
Elphinstone Road,
Mumbai – 400 013

Maharashtra, India
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

Domestic Legal Counsel to the BRLM

J. Sagar Associates

Advocates & Solicitors,
Vakils House,
18, Sprott Road, Ballard Estate,
Mumbai – 400 001.
Maharashtra, India.
Tel: +91 22 4341 8600
Fax: +91 22 4341 8616 / 17

International Legal Counsel to the BRLM

Allen & Overy

9th Floor,
Three Exchange Square,
Central,
Hong Kong
Tel: (+852) 2974 7000
Fax: (+852) 2974 6999

Registrar to the Issue

Karvy Computershare Private Limited

Plot nos.17-24, Vittal Rao Nagar,
Madhapur,
Hyderabad – 500 081.
Tel : +91-40-2342 0815-28
Fax: +91-40-2343 1551
E-mail: bajajcorp.ipo@karvy.com
Website: <http://karisma.karvy.com>
Contact Person: Mr.M.Murali Krishna
SEBI Registration Number: INR000000221

Auditors to our Company

M/s. R.S.Dani & Company

Chartered Accountants
Naya Bazar,
Ajmer – 305 001.
Tel: +91 145 2429071
Fax: +91 145 2424235
E-mail: saurabhkothari.sk@gmail.com
Contact Person: Mr. Saurabh Kothari
Firm Registration No: 000243 C

Bankers to the Issue / Escrow Collection Banks

Kotak Mahindra Bank

5th Floor, Dani Corporate Park,
158, CST Road, Kalina,
Santacruz (E),
Mumbai – 400 098.
Maharashtra, India.
Tel: + (91 22) 6759 5336
Fax: + (91 22) 6759 5374

E-mail: amit.kr@kotak.com
Website: www.kotak.com
Contact Person: Mr. Amit Kumar
SEBI Registration No.: INB100000927

Central Bank of India

Merchant Banking Department,
1st Floor, Bajaj Bhawan,
Nariman Point, Mumbai – 400 021.
Maharashtra, India.
Tel: + (91 22) 6638 7756
Fax: + (91 22) 2282 0989
E-mail: cmmbd@centralbank.co.in
Website: www.centralbankofindia.com
Contact Person: Mr. S.P. Dhal
SEBI Registration No.: INB100000012

The Hongkong and Shanghai Banking Corporation Limited

Shiv Building, Plot No. 139-140B,
Western Express Highway,
Sahara Road Junction,
Ville Parle (E), Mumbai – 400 057.
Maharashtra, India.
Tel: + (91 22) 4035 7458
Fax: + (91 22) 4035 7657
E-mail: swapnilpavale@hsbc.co.in
Website: www.hsbc.co.in
Contact Person: Mr. Swapnil Pavale
SEBI Registration No.: INB100000027

The AXIS Bank Limited

BKC Branch, Fortune-2000,
“C” Wing, Ground Floor,
Bandra Kurla Complex,
Bandra (E), Mumbai- 400 051.
Maharashtra, India.
Tel: + (91 22) 6148 3101
Fax: + (91 22) 3062 0069
E-mail: muneeb.tunekar@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Muneeb Tunekar
SEBI Registration No.: INB100000017

Refund Bank

Kotak Mahindra Bank

5th Floor, Dani Corporate Park,
158, CST Road, Kalina,
Santacruz (E),
Mumbai – 400 098.
Maharashtra, India.
Tel: + (91 22) 6759 5336
Fax: + (91 22) 6759 5374
E-mail: amit.kr@kotak.com
Website: www.kotak.com
Contact Person: Mr. Amit Kumar
SEBI Registration No.: INB100000927

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the Applications Supported by Blocked Amount (“ASBA”) process are available at <http://www.sebi.gov.in>. Details relating to the Designated Branches of SCSBs collecting the ASBA Bid-cum-Application Forms are available at the above-mentioned link.

Bankers to our Company

Corporation Bank

Nagar Palika, Link Road,
Town Hall,
Udaipur – 313 001
Tel: +91 294 2419259 / 2419545
Fax: +91 294 2419257
E-mail: cb597@corp.co.in
Website: www.corpbank.co.in
Contact Person: Mr. O.N.Sundareshan

HDFC Bank Limited

358, Post Office Road,
Chetak Circle,
Udaipur – 313 001
Tel: +91 294 2429134
Fax +91 294 2429134
E-mail: varun.mishra@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Varun Mishra

Credit Rating

As this is an Issue of Equity Shares, credit rating for this Issue is not required.

IPO Grading Agency

CRISIL Limited (“CRISIL”) has been appointed as the IPO Grading Agency to grade this Issue.

IPO Grading

This Issue has been graded by CRISIL, a SEBI registered credit rating agency, as IPO Grade 4/5 indicating above average fundamentals pursuant to Regulation 26(7) of the ICDR Regulations. The IPO Grading is assigned on a five point scale from 1 to 5, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. A copy of the report provided by CRISIL, furnishing the rationale for its grading will be attached as Annexure I at the time of filing the Red Herring Prospectus with the RoC and will be made available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on Business Days during the Bidding Period.

Experts

Except for the report of CRISIL in respect of the IPO Grading (a copy of which is annexed to this RHP as Annexure I), furnishing the rationale for its grading which will be provided to the Designated Stock Exchange our Company has not obtained any expert opinions.

Trustee

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

Monitoring Agency

Our Company has volunteered to appoint IDBI Bank Limited as a monitoring agency for monitoring the use of proceeds to promote future products proposed to be launched by our Company. The details of the monitoring agency are as follows:

IDBI Bank Limited

SSAD, 14th Floor,
IDBI Tower, Cuffe Parade,
Mumbai – 400 005.
Maharashtra, India

Tel: + (91 22) 6655 2081

Fax: + (91 22) 2215 5749

E-mail: raj.kumar@idbi.co.in

Website: www.idbi.com

Contact Person: Mr. Rajeev Kumar

Interse Allocation of Responsibilities

Kotak Mahindra Capital Company Limited is the sole BRLM to the Issue and all the responsibilities relating to coordination and other activities in relation to the Issue shall be performed by them. The various activities have been set forth below:

S. No.	Activity	Responsibility
1.	Capital structuring with relative components and formalities.	Kotak
2.	Drafting and approval of all statutory advertisements.	Kotak
3.	Due diligence of the Company including its operations/management/ business/plans/legal. Drafting and design of the offer document including a memorandum containing salient features of the Prospectus.	Kotak
	The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalisation of the Prospectus and RoC filing.	
4.	Drafting and approval of all publicity material.	Kotak
5.	Appointment of other intermediaries including Registrar to the Offer, printers, advertising agency and Bankers to the Offer.	Kotak
6.	Non-institutional and Retail marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> Finalising media, marketing and public relations strategy; Finalising centre for holding conferences for brokers; Follow-up on distribution of publicity and Offer material including forms, the Prospectus and deciding on the quantum of Offer material; and Finalising collection centres. 	Kotak
7.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> Finalising the list and division of investors for one to one meetings, institutional allocation 	Kotak
8.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> Finalising the list and division of investors for one-to-one meetings, institutional allocation 	Kotak
9.	Pricing, managing the book, and co-ordination with the Stock Exchanges.	Kotak
10.	Post-Bidding activities including management of escrow accounts, coordinating underwriting, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders.	Kotak
	The post-Offer activities will involve essential follow up steps, including the finalisation of trading, dealing of instruments, and demat of delivery of shares with the various agencies connected with the work such as the Registrar to the Offer, the Bankers to the Offer, the bank handling refund business and SCSBs. The BRLM shall be responsible for ensuring that these agencies fulfill their functions and discharge this responsibility through suitable agreements with the Company.	

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the RHP.

The Issue Price is finalised after the Bid Closing Date. The principal parties involved in the Book Building Process are:

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

This is an Issue of less than 25% of the post-Issue share capital of our Company and is being made pursuant to Rule 19(2)(b) of the SCRR through the 100% Book Building Process wherein at least 60% of the Issue shall be allocated 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. If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. For details of Bids by Anchor Investors and Mutual Funds, see the section titled “**Issue Procedure**” beginning on page 288 of this RHP. **QIBs bidding in the QIB Portion (excluding the Anchor Investor Portion) cannot withdraw their Bid(s) after the Bid Closing Date.**

Our Company shall comply with the ICDR Regulations and any other directions issued by SEBI in respect of this Issue. In this regard, our Company has appointed Kotak Mahindra Capital Company Limited, as the BRLM to manage the Issue and procure subscriptions to the Issue.

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

Bidders can bid at any price within the Price Band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity 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 centers during the bidding period. The illustrative book set forth below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the BRLM will finalise the issue price at or below such cut-off price, i.e., at or below Rs. 22. All bids at or above this issue price 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. For further details see the section titled “**Issue Procedure - Who Can Bid**” beginning on page 289 of this RHP.
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form and the ASBA Bid cum Application Form, as the case may be.
3. Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form or the ASBA Bid-cum-Application Form (see the section titled “**Issue Procedure – Other Instructions - Permanent Account Number or PAN**” beginning on page 306 of this RHP).
4. Ensure that the Bid-cum-Application Form or the ASBA Bid-cum-Application Form is duly completed as per instructions given in this RHP and in the Bid cum Application Form, or the ASBA Bid cum Application Form as

applicable.

5. Ensure the correctness of your demographic details (as defined in the section titled “**Issue Procedure-Bidders Depository Account Details**” beginning on page 301 of this RHP) given in the Bid cum Application Form or the ASBA Bid-cum-Application Form, as the case may be, with the details recorded with your Depository Participant.
6. Bids by QIBs (excluding those QIBs who apply through the ASBA process) will have to be submitted only to the BRLM.
7. Bids by ASBA Bidders will have to be submitted to the Designated Branches of the SCSBs. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the ASBA Bid cum Application Form is not rejected.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue including at any time after the Bid Opening Date but before the Board meeting for Allotment. If our Company withdraws from the Issue, it shall issue a public notice that shall include reasons for such withdrawal, within two days of the closure of the Issue. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid Closing Date and thereafter determines that it will proceed with an initial public offering of its Equity Shares, it shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the Stock Exchanges and the RoC.

Bidding Programme

BID OPENS ON	Monday August 2, 2010*
BID CLOSES ON:	
FOR QIB BIDDERS	Wednesday August 4, 2010
FOR RETAIL AND NON INSTITUTIONAL BIDDERS	Thursday August 5, 2010

**The Anchor Investor Bidding Date shall be one date prior to the Bid Opening Date*

Our Company is considering participation by Anchor Investors in terms of the ICDR Regulations. For details see the section titled “**Issue Procedure- Bids by Anchor Investor**” beginning on page 290 this RHP.

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 5 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 case of Bids submitted through ASBA, the Designated Branches of the SCSBs, **except that on the Bid Closing Date for QIBs, Bids shall be accepted only between 10 a.m. and 3 p.m.** (Indian Standard Time) and uploaded until 4.00 p.m. On Bid Closing Date for Retail and Non Institutional Bidders, Bids shall be accepted only between 10 a.m and 3 p.m (Indian Standard Time) and uploaded until (i) 4.00 P.M in case of Bids by Non institutional Bidders; and (ii) until 5.00 p.m or until such time as permitted by the Stock Exchanges in case of Bids by Retail Individual Bidders where the Bid Amount is up to Rs. 100,000. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 3 p.m (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid 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, the BRLM and the Syndicate Member shall not be responsible. Bids will be accepted only on working days, i.e. Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the NSE and the BSE.

On the Bid Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received from 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 BRLM to the Stock Exchanges.

In case of revision in the Price Band, the Bidding Period will be extended for three additional working Days after revision of the 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 website of the BRLM and at the terminals of the members of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price but prior to filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be 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 the Syndicate Member does not fulfil its underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through the Syndicate Member/Sub Syndicate. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. In Million)
Kotak Mahindra Capital Company Limited	[●]	[●]
Kotak Securities Limited	[●]	[●]

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

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

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

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

CAPITAL STRUCTURE

Our share capital as of the date of this RHP is set forth below:

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A)	Authorised share capital		
	40,000,000 Equity Shares	200,000,000	
	Total	200,000,000	
B)	Issued, subscribed and paid up share capital before the Issue		
	25,000,000 Equity Shares	125,000,000	
C)	Present issue in terms of this RHP*		
	Fresh issue of 4,500,000 Equity Shares	22,500,000	[●]
	<i>Of which</i>		
	QIB Portion of at least 2,700,000 Equity Shares, of which*	13,500,000	[●]
	Non Institutional Portion of not less than 450,000 Equity Shares *	2,250,000	[●]
	Retail Portion of not less than 1,350,000 Equity Shares *	6,750,000	[●]
D)	Issued, subscribed and paid up share capital after the Issue		
	29,500,000 Equity Shares	147,500,000	[●]
E)	Share premium account		
	Before the Issue	Nil	Nil
	After the Issue	[●]	[●]

* Available for allocation on a proportionate basis subject to valid bids being received at or above Issue Price.

- (a) The present Issue has been authorised by our Board of Directors and the shareholders of our Company pursuant to their resolution, both dated February 20, 2010 and February 22, 2010 respectively.

(b) **Changes in the Authorised Share Capital**

- Pursuant to a shareholders resolution dated July 18, 2007 the Authorised Share Capital was changed from Rs. 1,000,000/- (Rupees One Million Only) divided into 100,000 (One Hundred Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 50,000,000/- (Rupees Fifty Million Only) divided into 5,000,000 (Five Million) equity shares of Rs. 10/- (Rupees Ten Only) each.
- Pursuant to a shareholders resolution dated May 19, 2008 the Authorised Share Capital was changed from Rs. 50,000,000/- (Rupees Fifty Million Only) divided into 5,000,000 (Five Million) equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 100,000,000/- (Rupees One Hundred Million Only) divided into 10,000,000 (Ten Million) equity shares of Rs. 10/- (Rupees Ten Only) each.
- Pursuant to a shareholders resolution dated November 3, 2009 the Authorised Share Capital was changed from Rs. 100,000,000/- (Rupees One Hundred Million Only) divided into 10,000,000 (Ten Million) equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 200,000,000/- (Rupees Two Hundred Million Only) divided into 200,000,000 (Two Hundred Million) equity shares of Re. 1/- (Rupee One Only) each.
- Pursuant to a shareholders resolution dated January 22, 2010 the Authorised Share Capital was changed from Rs. 200,000,000/- (Rupees Two Hundred Million Only) divided into 200,000,000 (Two Hundred Million) equity shares of Re. 1/- (Rupee One Only) each to Rs. 200,000,000/- (Rupees Two Hundred Million Only) divided into 100,000,000 (One Hundred Million) equity shares of Rs. 2/- (Rupees Two Only) each.

5. Pursuant to a shareholders resolution dated February 22, 2010 the Authorised Share Capital was changed from Rs. 200,000,000/- (Rupees Two Hundred Million Only) divided into 100,000,000 (One Hundred Million) equity shares of Rs. 2/- (Rupee Two Only) each to Rs. 200,000,000/- (Rupees Two Hundred Million Only) divided into 40,000,000 (Forty Million) Equity Shares of Rs. 5/- (Rupees Five Only) each.

Notes to Capital Structure

1. Share Capital History of our Company

- (a) The following is the history of the equity share capital of our Company since incorporation:

Date of allotment	No. of equity shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration (cash, bonus, other than cash)	Cumulative No. of equity shares	Nature of allotment	Cumulative equity share capital (Rs.)	Cumulative Share Premium (Rs.)
April 25, 2006	10,000	10	10	Cash	10,000	Subscription to Memorandum	100,000	NIL
September 11, 2007	50,000	10	10	Cash	60,000	Preferential Allotment	600,000	NIL
March 27, 2008	4,940,000	10	10	Cash	5,000,000	Preferential allotment	50,000,000	NIL
November 3, 2009*	50,000,000	1	NA	Split and Bonus in the ratio of 1:1	100,000,000	Split and Bonus Allotment	100,000,000	NIL
February 22, 2010**	5,000,000	5	NA	Consolidation and Bonus in the ratio of 1:4	25,000,000**	Consolidation and Bonus Allotment	125,000,000	NIL
Total	25,000,000**	5**			25,000,000**		125,000,000	NIL

*On November 3, 2009 all equity shares of face value Rs. 10/-each were split and divided into 10 equity shares of Re. 1/- each thereby increasing the total number of issued, subscribed and allotted equity shares from 5 million equity shares to 50 million equity shares. Further, on the allotment of the Bonus Shares the total issued, subscribed and allotted equity shares were 100 million.

On January 22, 2010, all equity shares of face value of Re.1/- each were consolidated into equity shares of Rs. 2/- each thereby decreasing the total number of issued, subscribed and allotted equity shares from 100 million Equity Shares to 50 million equity shares.

** On February 22, 2010, all equity shares of face value of Rs.2/- each were consolidated into Equity Shares of Rs. 5/- each thereby decreasing the total number of issued, subscribed and allotted Equity Shares from 50 million Equity Shares to 20 million Equity Shares. Further, on the allotment of the Bonus Shares the totals issued, subscribed and allotted Equity Shares were 25 million.

- (b) Preference share capital of our Company:

There are no preference shares in our Company.

- (c) The following is the history of issue of bonus shares by our Company.

Date of Allotment	Number of equity shares	Face Value per equity share (Rs.)	Persons to whom equity shares Allotted
November 3, 2009	50,000,000	1	All existing shareholders of our Company as of November 3, 2009
February 22, 2010	5,000,000	5	All existing shareholders of our Company as of February 22, 2010

Other than the equity shares issued as bonus equity shares, as mentioned above, none of our equity shares have been issued for consideration other than cash.

2. Issue of equity shares in the last one year at a price lower than the Issue Price

Other than the allotment mentioned in table 1(c) above no other issue of equity shares were made less than the issue price.

3. Promoter's contribution and lock-in

All Equity Shares which are being locked in for three years are eligible for computation of the Promoter's contribution and lock-in under Regulation 33 of the ICDR Regulations. Further, pursuant to Regulation 37 of the ICDR Regulations, the entire pre-Issue capital, other than that locked in as minimum Promoters' contribution, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue.

(a) Details of the build up of shareholding of Bajaj Consumer Care Ltd. in our Company:

Date of transfer/ allotment	No. of equity shares	Nature of Consideration (Rs.) (cash, bonus, other than Cash)	Reasons for acquisition	Face Value (Rs.)	Acquisition price (Rs. Per equity share)	Cumulative No. of equity shares
September 11, 2007	10,000	100,000	Transfer from Mr. Rajiv Gandhi and Mr. Sunil Kumar Avasthi	10	10	10,000
September 11, 2007	49,993	499,930	Preferential Allotment	10	10	59,993
March 27, 2008	4,940,000	49,400,000	Preferential Allotment	10	10	4,999,993
November 3, 2009	49,999,930*	Bonus	Bonus Issue	1	NA	99,999,860**
February 22, 2010	4,999,993***	Bonus	Bonus Issue	5	NA	24,999,965***

* On November 3, 2009 all equity shares of face value Rs. 10/-each were split and divided into 10 equity shares of Re. 1/- each thereby increasing the total number of issued, subscribed and allotted equity shares from 5 million equity shares to 50 million equity shares. Further, on the allotment of the Bonus Shares the total issued, subscribed and allotted equity shares were 100 million.

**On January 22, 2010, equity shares of face value of Re.1/- each were consolidated into equity shares of Rs. 2/- each thereby decreasing the total number of issued, subscribed and allotted equity shares from 100 million Equity Shares to 50 million Equity Shares.

*** On February 22, 2010, all equity shares of face value of Rs.2/- each were consolidated into Equity Shares of Rs. 5/- each thereby decreasing the total number of issued, subscribed and allotted Equity Shares from 50 million Equity Shares to 20 million Equity Shares. Further, on the allotment of the Bonus Shares the total issued, subscribed and allotted equity shares were 25 million.

(b) Details of the Promoter's Contribution and Lock-in

Pursuant to Regulation 36 of the ICDR Regulations, an aggregate of 20% of our post Issue capital held by our Promoters shall be locked-in for a period of three years from the date of Allotment in the Issue. The details of such lock-in are given below.

The details of the Equity Shares of our corporate Promoter, BCCL which are being locked in from the date of Allotment for a period of 3 years are as follows:

Date of transfer/ allotment	Nature of allotment	Nature of Consideration (Cash, Bonus other than cash)	Number of equity shares *	Face Value (Rs.)	Acquisition Price (Rs. per equity share)	Equivalent number of share (face value of Rs 5)	% of post-Issue paid-up capital
March 27, 2008*	Preferential Allotment	Cash	2,995,000	10	10	5,990,000	20.31

* On November 3, 2009 all equity shares of face value Rs. 10/-each were split and divided into 10 equity shares of Re. 1/- each. On January 22, 2010, equity SHARES of face value of Re.1/- each were consolidated into Equity Shares of Rs. 2/- each. On February 22, 2010, all equity shares of face value of Rs.2/- each were consolidated into Equity Shares of Rs. 5/- each

The Equity Shares of our corporate Promoter, BCCL which are being locked in from the date of Allotment for a period of one year are as follows:

Date of transfer/ allotment	Nature of allotment	Nature of Consideration (Cash, Bonus other than cash)	Number of Equity Shares *	Face Value (Rs.)	Acquisition Price (Rs. per Equity Share)	Equivalent number of share (face value of Rs 5)
September 11, 2007	Transfer	Cash	10,000	10	10	20,000
September 11, 2007	Preferential Allotment	Cash	49,993	10	10	99,986
March 27, 2008*	Preferential Allotment	Cash	1,945,000	10	10	3,890,000
November 3, 2009*	Bonus	Bonus	49,999,930	1	NA	9,999,986
February 22, 2010	Bonus	Bonus	4,999,993	5	NA	4,999,993

* On November 3, 2009 all equity shares of face value Rs. 10/-each were split and divided into 10 equity shares of Re. 1/- each. On January 22, 2010, equity shares of face value of Re.1/- each were consolidated into equity shares of Rs. 2/- each. On February 22, 2010, all equity shares of face value of Rs.2/- each were consolidated into Equity Shares of Rs. 5/- each

The Promoters' contribution has been brought in to the extent of not less than the specified minimum lot as specified in accordance with the ICDR Regulations and from the persons defined as the Promoters.

The Equity Shares that are being locked-in are not ineligible for computation of minimum Promoters' contribution under Regulation 33 of the ICDR Regulations. In this respect, our Company confirms that the Equity Shares being locked in do not consist of:

- Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets or (b) arising from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- Equity Shares acquired by the Promoters during the one year preceding the date of the RHP, at a price lower than the price at which Equity Shares are being offered to the public in the Issue; and
- Equity Shares issued to the Promoters upon conversion of a partnership firm.

(c) Details of share capital locked-in for one year

In addition to the lock-in of the Promoters' contribution specified above, the entire pre-Issue issued equity share capital of our Company will be locked-in for a period of one year from the date of Allotment. The total number of Equity Shares, which are locked-in for such one year period, are 19,010,000 Equity Shares.

(d) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the ICDR Regulations, locked-in Equity Shares held by the Promoters can be pledged with any scheduled commercial bank or public financial institutions as collateral security for loans granted by such scheduled commercial bank or public financial institutions, provided that (i) the pledge of shares is one of the terms of sanction of the loan, and (ii) if the shares are locked in as Promoter's contribution for three years pursuant to Regulation 36(a) of the ICDR Regulations, such shares may be pledged, only if, in addition to fulfilling the requirements of paragraph (i), the loan has been granted by the banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the ICDR Regulations, Equity Shares held by shareholders other than the Promoters may be transferred to any other person holding Equity Shares which are locked-in in accordance with Regulation 37 of the ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended, (the "Takeover Code"), as applicable.

Pursuant to Regulation 40 of the ICDR Regulations, Equity Shares held by the Promoters, which are locked-in in accordance with Regulation 36 of the ICDR Regulations, may be transferred to and among the Promoter Group or to a new promoter 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, as applicable.

4. Shareholding Pattern of our Company

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

Category Code	Category of Shareholder	Number of Shareholder s/ Folios	(Before the Issue)		(After the Issue)		Number of Equity Shares held in dematerialized form	Shares Pledged or otherwise encumbered	
			Total Number of Equity Shares	As a percent age of (A+B+ C)	Total Number of Equity Shares	As a percent age of (A+B+ C)		No. of Shares	As % of total no. of Equity Shares
	Shareholding of Promoter and Promoter Group								
A	Promoter								
	Bajaj Consumer Care Limited	1	24,999,965	100.00	24,999,965	84.75	0	0	0
B	Promoter Group	0	0	0	0	0	0	0	0
C	Total Shareholding of Promoter and Promoter Group (C= A+B)	1	24,999,965	100.00	24,999,965	84.75	0	0	0
(D)	Public shareholding*	7	35	0.00	35	0	0	0	0
(E)	PUBLIC IN THE ISSUE	[•]	0	0	4,500,000	15.25	NA	0	0
	GRAND TOTAL (C)+(D) + (E)	[•]	25,000,000	100.00	29,500,000	100.00	0	0	0

* Our corporate promoter BCCL is the beneficial owner of the Equity Shares

As of the date of this RHP, except our corporate Promoter, BCCL, none of our Promoter Group entities hold any of our Equity Shares. As of the date of this RHP, the BRLM, their associates, Directors and key managerial personnel do not hold any of our Equity Shares.

5. The list of our top 10 shareholders and the number of our Equity Shares held by them is as under:

(a) Our top 10 shareholders, as of the date of this RHP are as follows:

S. No.	Shareholder	No. of Equity Shares (of Rs 5 each)	Percentage of shareholding
1	Bajaj Consumer Care Ltd.	24,999,965	100.00%
2	Mr. Rajiv Gandhi*	5	0.00%
3	Mr. Prashant Angane*	5	0.00%
4	Mr. Balkishan Mucchal*	5	0.00%
5	Mr. Ravikant Sharma*	5	0.00%
6	Mr. Rohit Raut*	5	0.00%
7	Mr. Himanshu Shah*	5	0.00%
8	Mr. Achath Mohanan*	5	0.00%
Total		25,000,000	100.00%

* Our corporate promoter BCCL is the beneficial owner of the Equity Shares

- (b) Our top 10 shareholders ten days, prior to the filing of this RHP, i.e. on July 12, 2010 are as follows:

S. No.	Shareholder	No. of Equity Shares (of Rs 5 each)	Percentage of shareholding
1	Bajaj Consumer Care Ltd.	24,999,965	100.00%
2	Mr. Rajiv Gandhi*	5	0.00%
3	Mr. Prashant Angane*	5	0.00%
4	Mr. Balkishan Mucchal*	5	0.00%
5	Mr. Ravikant Sharma*	5	0.00%
6	Mr. Rohit Raut*	5	0.00%
7	Mr. Himanshu Shah*	5	0.00%
8	Mr. Achath Mohanan*	5	0.00%
Total		25,000,000	100.00%

* Our corporate promoter BCCL is the beneficial owner of the Equity Shares

- (c) Our shareholders as of two years, prior to the date of filing of this RHP i.e. on July 22, 2008 were as follows:

S. No.	Shareholder	No. of equity shares (of Rs. 10 each)	Percentage of shareholding (%)
1.	Bajaj Consumer Care Ltd.	4,999,993	100.00%
2.	Mr. Rajiv Gandhi*	1	0.00%
3.	Mr. Prashant Angane*	1	0.00%
4.	Mr. Balkishan Mucchal*	1	0.00%
5.	Mr. Ravikant Sharma*	1	0.00%
6.	Mr. Rohit Raut*	1	0.00%
7.	Mr. Himanshu Shah*	1	0.00%
8.	Mr. Achath Mohanan*	1	0.00%
Total		5,000,000	100.00%

* Our corporate promoter BCCL is the beneficial owner of the Equity Shares

6. Our Company, our Promoter, our Directors, and the BRLM have not entered into any buy-back and/or standby arrangements for the purchase of our Equity Shares from any person.
7. None of our Promoter, Promoter Group, Directors, directors of our Promoter, nor their immediate relatives have purchased or sold any securities of our Company or financed the purchase of our Equity Shares by any other person, within the six months preceding the date of filing of this RHP with SEBI.
8. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company as on the date of this RHP.
9. A Bidder cannot make a Bid for more than the number of our Equity Shares offered through the Issue, and subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
10. We have not raised any bridge loan against the proceeds of the Issue.
11. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum bid lot while finalizing the basis of Allotment.
12. 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 this RHP to SEBI until the Equity Shares issued/ to be issued pursuant to the Issue have been listed.
13. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into our Equity Shares.
14. We presently do not intend or propose to alter our capital structure for a period of six months from the Bid Opening Date, by way of split or consolidation of the denomination of our Equity Shares or further issue of our

Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for our Equity Shares) whether on a preferential basis or by way of issue of bonus or rights or further public issue of specified securities or qualified institutional placements or otherwise.

15. We have not issued any of our Equity Shares out of revaluation reserves.
16. There shall be only one denomination of our Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by the SEBI from time to time.
17. As of the date of filing of this RHP, our Company has eight shareholders.
18. There are no partly paid up Equity Shares in our Company. All our Equity Shares will be fully paid up at the time of Allotment.
19. Undersubscription, if any in the retail or non- institutional portion would be met will spill over from other categories or combination of categories at our discretion in consultation with the BRLM.
20. The Equity Shares held by the Promoters are not subject to any pledge.
21. Our Promoters and Group Companies will not participate in this Issue.
22. Our Company, Directors, Promoter or Promoter Group shall not make any payments either directly or indirectly, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this RHP.
23. Our Company does not have any Employee Stock Option Plan.

OBJECTS OF THE ISSUE

Our Company intends to utilise the Issue Proceeds for the following objects:

- (i). Promote our future products;
- (ii). Acquisitions and other strategic initiatives; and
- (iii). General Corporate Purposes.

The gross proceeds of the Issue are Rs. [●] million. The details of the Net Proceeds of the Issue are summarized in the table below:

The details of the proceeds of the Issue are summarised in the table below:

Particulars	Amount (In Rs. million)
Proceeds from the Issue	[●]
Issue related expenses	[●]
Net Proceeds*	[●]

**To be finalised upon completion of the Issue.*

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

The fund requirements and the intended use of the proceeds as described herein are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by any bank or financial institution. We may have to revise our expenditure and fund requirements as a result of variations in cost estimates on account of variety of factors such as changes in product mix, and external factors such which may not be within the control of our management and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. In case of any surplus after utilization of the proceeds from the Issue for the stated objects, we may use such surplus towards general corporate purposes. In the event of a shortfall in raising the requisite capital from the proceeds of the Issue towards meeting the objects of the Issue, the extent of the shortfall will be met by way of such means available to our Company, including by way of incremental debt or cash available with us.

Utilisation of the proceeds of the Issue

1. The following table summarises the intended use of the proceeds of the Issue:

(In Rs. in million)

Sr. No.	Expenditure Items	Total Estimated Expenditure
1.	Promote our future products	2200
2.	Acquisitions and other strategic initiatives	500
3.	General Corporate Purposes	[●]
Total		[●]

In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

2. The following table details the schedule of utilisation of the proceeds of the Issue:

(In Rs. Millions)

Sr. No.	Particulars	Estimated schedule of deployment of proceeds of the Issue			
		Fiscal 2011	Fiscal 2012	Fiscal 2013	Total
1.	Promote our future products	607	713	880	2200
2.	Acquisitions and other strategic initiatives	NA	NA	NA	500

Sr. No.	Particulars	Estimated schedule of deployment of proceeds of the Issue			
		Fiscal 2011	Fiscal 2012	Fiscal 2013	Total
3.	General Corporate Purposes	[-]	[-]	[-]	[-]
	Total	[-]	[-]	[-]	[-]

Details of the Objects

1. Promote our future products

We believe that the key constituents for any FMCG product to succeed in the market are (a) good product, (b) efficient marketing and promotion of the brand and (c) robust distribution network. We believe we have been able to transform Bajaj Almond Drops Hair Oil into a successful brand in the light hair oil segment where it is currently among the top 3 (three) hair oil brands in the country. We intend to leverage the success of Bajaj Almond Drops Hair Oil brand by launching products in the personal care segment and propose to use the brand equity created by Bajaj Almond Drops Hair Oil while launching other products that are related to personal care. We propose to use the consumer insight that we have acquired over the years in the hair oil segment in our proposed forays. We intend to utilise for all our future products the synergies in sales, distribution and marketing departments that is in existence today.

We propose to launch 4 (four) products in the personal care segment. The outlay of the planned expenditure proposed to be incurred in relation to such product launches has been encapsulated below. The expenditure associated with promotion of a product typically includes outdoor advertisement; print media advertisement; television advertisement, event sponsorships etc.

As on March 31, 2010, our Company has invested Rs. 4.1 million towards the development of the 4 (four) proposed products. For further details please refer to the section titled “*Risk Factors – Risk Factor No. 25*” beginning on page 17 of this RHP.

In fiscal 2009, we spent Rs. 179.71 million and in fiscal 2010, we spent Rs. 270.52 million on advertising and brand building. The break up of our proposed utilization of funds in relation to the proposed product launches based on management estimates is as under:

Product 1

(In Rs. Millions)

Purpose	Expected Expenditure (2011-13)	Estimated expenditure for Fiscal 2011	Estimated expenditure for Fiscal 2012	Estimated expenditure for 2013
Outdoor	30.00	10.00	10.00	10.00
Television Advertisements	423.40	128.40	140.70	154.30
Event Sponsorships	18.50	1.00	10.00	7.50
Extraordinary items (gifts etc)	317.20	52.10	99.80	165.30
Total	698.50	191.50	260.50	337.10

Product 2

(In Rs. Millions)

Purpose	Expected Expenditure (2011-13)	Estimated expenditure for 2011	Estimated expenditure for 2012	Estimated expenditure for 2013
Outdoor	8.00	4.00	2.00	2.00
Television Advertisements	287.15	88.75	92.60	105.80
Event Sponsorships	1.00	1.00		
Extraordinary items (gifts etc)	102.80	24.50	31.70	46.60
Total	398.95	118.25	126.30	154.40

Product 3

(In Rs. Millions)

Purpose	Expected Expenditure (2011-13)	Estimated expenditure for 2011	Estimated expenditure for 2012	Estimated expenditure for 2013
Outdoor	8.00	4.00	2.00	2.00
Television Advertisements	411.00	127.10	133.80	150.10
Event Sponsorships	1.00	1.00		
Extraordinary items (gifts etc)	35.25	10.25	11.20	13.80
Total	454.95	142.35	147.00	165.90

Product 4

(In Rs. Millions)

Purpose	Expected Expenditure (2011-13)	Estimated expenditure for 2011	Estimated expenditure for 2012	Estimated expenditure for 2013
Outdoor	15.00	5.00	5.00	5.00
Television Advertisements	374.00	115.00	121.00	138.00
Event Sponsorships	16.00	6.00	5.00	5.00
Extraordinary items (gifts etc)	151.90	29.30	48.50	74.10
Total	556.90	155.30	179.50	222.10

We undertake sales and marketing activities to promote our brands on a continuous basis for all our products. These activities are integral to maintaining and enhancing brand visibility and market shares for our products. We intend to invest a substantial portion of the sales and marketing expenditure for the launch and sustained visibility of four new products in the personal care. The objective of these launches will be to leverage our sales & marketing strengths to grow in terms of turnover as well as profitability of our Company. Our marketing efforts include brand-building activities through mass communications using various media including television, press, outdoor, sponsorship of event and various incentives to our channel partners.

The present stage of development of each planned products is summarized below:

Products	Production facility	Formulation	Packaging	Communication strategy	Brand name
Product 1	Production to be outsourced. Identification of third party manufacturers for the same is underway	Ready	Finalization stage	To be finalized	Decided
Product 2	To be manufactured at the existing facility using production capacity already installed	Ready	Ready	Ready	Decided
Product 3	Production to be outsourced. Identification of third party manufacturers for the same is underway	Ready	Finalization stage	To be finalized	Decided
Product 4	To be manufactured at the existing facility using production capacity already installed	Ready	Ready	Ready	Decided

Some of our future products as aforementioned may require approvals from the concerned regulatory authority under applicable laws. We have not applied for such approvals so far. For details please refer to the section titled “**Risk Factors– Risk Factor No. 14**” beginning on page 14 of this RHP.

2. Acquisitions and other strategic initiatives

We are a FMCG company, focused on various consumer care products. We seek to further enhance our position in the FMCG segment, in pursuit of which we continuously evaluate inorganic opportunities. The evaluation is done by taking into account the following factors.

- For foray into certain geographies/access newer markets with potential to enhance our national footprint
- To consolidate sourcing of raw material for cost savings
- Augment product offerings

We will enter into non-binding letters of intent or memorandum of understanding once the potential target has been identified, evaluate risks associated with such an acquisition and then either enter into a binding definitive agreement with the target company or terminate the non-binding letter of intent or the memorandum of understanding as the case may be. We shall ensure that such acquisitions and strategic initiatives will be in accordance to applicable law as may be amended from time to time. As of the date of this RHP, we have not appointed any financial advisor nor have we entered into any definitive agreement for any acquisition, investment or joint venture in any company, nor have we made any payment as an advance for any such acquisition, investment or joint venture in any company

We continuously monitor the environment to identify strategic opportunities that would be suitable and would compliment our current business. We intend to utilise the entire amount out of the net proceeds earmarked under this head for the Fiscal years 2011 to Fiscal 2013.

At present, we have not identified the product/company which we propose to acquire, the proposed deployment of funds from Fiscal 2011 to Fiscal 2014 may vary from year to year. However, we anticipate that the entire amount would be utilised for acquisition products/company/companies by Fiscal 2014. The process of acquisition is a time consuming process which requires exhaustive set of diligence procedures amongst other factors. In the event we are unable to utilise the funds earmarked towards acquisition by the end of Fiscal 2013, we may, with the approval of our Board and our Shareholders, utilise the earmarked funds in accordance with the policies of our Board for the benefit of our Company.

We undertake that the product/companies/company proposed to be acquired from the proceeds of the Issue shall not be acquired from our Promoter, Group Companies, affiliates or any other related parties.

3. General Corporate Purposes

The proceeds of the Issue will be first utilised towards the aforesaid items and the balance is proposed to be utilised for general corporate purposes, In accordance with the policies set up by our Board, will have flexibility in applying the remaining Net Proceeds of this Issue, for strategic initiatives and acquisitions, brand building exercises and strengthening of our marketing capabilities amongst other things subject to compliance with the necessary provisions of the Companies Act.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change. This may also include rescheduling the proposed utilisation of proceeds of the Issue and increasing or decreasing expenditure for a particular object vis-à-vis the utilisation of proceeds of the Issue. In case of a shortfall in the proceeds of the Issue, our management may also explore a range of options including utilising our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilising the proceeds for the purposes mentioned above and earmarked for general corporate purposes.

4. Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this RHP.

5. Interim use of proceeds of the Issue

Our Company, in accordance with the policies formulated by its Board from time to time, will have flexibility in deploying the proceeds received from the Issue. The particular composition, timing and schedule of deployment

of the proceeds of the Issue will be determined by our Company based on the development of the projects. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest the funds in interest bearing liquid instruments including deposits with banks and investments in money market mutual funds and other financial products and investment grade interest bearing securities as may be approved by the Board.

6. Issue Expenses

The Issue related expenses consist of underwriting fees, selling commission, fees payable to the BRLM, legal counsels, Bankers to the Issue, Escrow Bankers and Registrar to the Issue, IPO grading, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing our Equity Shares on the Stock Exchanges. We intend to use about Rs. [●] million towards these expenses for the Issue. All expenses with respect to the Issue will be borne out of Issue proceeds. The break-up for the Issue expenses is as follows:

Activity	Expenses* (In Rs. million)	Percentage of the Issue Expenses*	Percentage of the Issue size*
Lead management fees	[●]	[●]	[●]
Underwriting, brokerage and selling commission (including commission to SCSBs for ASBA Applications)	[●]	[●]	[●]
Registrar's fees	[●]	[●]	[●]
Advertising and marketing	[●]	[●]	[●]
Printing and distribution	[●]	[●]	[●]
Bankers to the Issue	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, fees paid to the IPO Grading agency etc.)	[●]	[●]	[●]
Total estimated Issue expenses*	[●]	[●]	[●]

*Will be incorporated after finalisation of the Issue Price.

7. Monitoring of utilisation of funds

Our Board together with the Monitoring Agency shall monitor the use of proceeds to be utilized for the promotion of future products.

The utilization of the remaining proceeds of the Issue shall be monitored by our Board. Our Company will disclose the utilization of the proceeds of the Issue under a separate head along with details, if any in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue in our Balance Sheet for the relevant Financial Years commencing from Fiscal 2011.

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 proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this RHP and Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with clause 43A of the Listing Agreement, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations if any, in the utilisation of the process of the Issue from the objects of the Issue as stated above. This information will also be published newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee and the Monitoring Agency.

No part of the Issue proceeds will be paid by our Company as consideration to our Promoter, our Directors, our Company's key management personnel or the Group Companies, except in the ordinary course of business. Provided however that the Issue Proceeds will only be used for the FMCG business of our Company and for no other purpose.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our offered Equity Shares by the Book Building Process. The face value of our Equity Shares is Rs. 5 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should review the entire RHP, including the sections “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and “*Financial Information*” beginning on pages 9, 72, 82 and 139, respectively, of this RHP to get a more informed view before making an investment decision.

Qualitative Factors

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

- Experienced management with project execution skills and substantial experience in the FMCG sector;
- Our factories are strategically located;
- Procurement expertise and relationships to support entry into the Indian FMCG sector;

For detailed discussion on the qualitative factors, which form the basis for computing the price, please see the sections titled, “*Our Business*” and “*Risk Factors*” beginning on pages 82 and 9, of this RHP respectively.

Quantitative Factors

Information presented in this section is derived from our Company’s audited standalone restated financial statements for the financial years ended 2008, 2009 and 2010, prepared in accordance with Indian GAAP and the SEBI ICDR Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Earnings Per Share (“EPS”) (Standalone)

Particulars	Earning Per Share (Face Value Rs. 5 per Equity Share)	
	Basic (Rs.)	Weight
March 31, 2008	(0.04)	1
March 31, 2009	18.80	2
March 31, 2010	33.57	3
Weighted Average	23.05	

Notes:

- (i) Post the adoption of financials for the period ended December 31, 2009 by the Board of Directors of our Company there was consolidation of face value of share and bonus issue. On January 22, 2010 our Company consolidated the face value of equity shares from Re. 1 each to equity shares of Rs. 2 each. On February 22, 2010, our Company further consolidated the face value of equity shares from Rs. 2 each to Equity shares of face value of Rs. 5 each and issued bonus shares in the ratio of 1 Equity Share of the face value of Rs. 5 each for every 4 Equity Shares held.
- (ii) Earning per share calculations are done in accordance with Accounting Standard 20 ‘Earning per Share’ issued by the institute of Chartered Accountants of India.
- (iii) 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 proportion of total number of days

2. Price/Earning (P/E) ratio in relation to the Price Band on an Standalone Basis

Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
[●]	[●]	[●]
[●]	[●]	[●]

Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
[●]	[●]	[●]
[●]	[●]	[●]

P/E ratio for the Industry is as follows:

Industry P/E	
Highest	42.90
Lowest	22.80
Industry Composite	32.85

Source: "Capital Market" Vol.XXIV/26 dated February 22, 2010 – March 07, 2010.

3. Average Return on Net Worth ("RONW")

(a) As per restated Financial Statements (Standalone):

Particulars	RONW %	Weight
March 31, 2008	-1.30%	1
March 31, 2009	91.11%	2
March 31, 2010	327.66%	3
Weighted Average	193.98%	

Note:- RONW has been computed by dividing Profit after Tax by Networth.

4. Minimum RONW required for maintaining pre-Issue EPS is [●].

5. Net Asset Value per Equity Share

- (i) Net Asset Value per Equity Share as of March 31, 2010 is Rs.10.24/-.
- (ii) After the Issue: [●]
- (iii) Issue Price: Rs. [●]

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

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of the company	Revenue [#] (Rs mn)	Face Value (Rs. per Share)	EPS (Rs.)	P/E Ratio	RoNW (%)	NAV (Rs.)
	Bajaj Corp**		5	33.57	[●]	327.66	10.24
	Peer Group*						
1.	Colgate Palmolive	19625.00	1.00	27.60	30.30		24.00
2.	Dabur India	28569.00	1.00	5.00	38.20	59.00	8.60
3.	Emami	10069.00	2.00	23.20	33.00	29.80	81.90
4.	Jyothy Laboratories	5730.00	1.00	11.00	22.80	15.70	55.60
5.	Marico	20309.00	1.00	3.90	29.90	54.30	9.40
6.	Godrej Consumer	12679.00	1.00	8.10	42.90	47.00	26.80
7.	Hindustan Unilever	175238.00	1.00	9.50	27.30		11.70
8.	ITC	181533.00	1.00	10.60	28.20	25.40	36.70
9.	Procter & Gamble	7742.00	10.00	51.70	30.00	45.50	135.60

*Source: "Capital Market" Vol.XXV/09 dated June 28-July 11, 2010.

** As of March 31, 2010.

For year ended March 31, 2010.

STATEMENT OF TAX BENEFITS

To,

Board of Directors,
Bajaj Corp Limited
2nd Floor, Building No.2,
Solitaire Corporate Park,
167, Guru Hargobind Marg,
Chakala, Andheri (E)
Mumbai-400093

Dear Sirs,

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

We hereby report that the enclosed statement states the possible tax benefits available to the Company under the Income-tax Act, 1961 and Indirect tax laws, presently in force in India and to the shareholders of the Company under the Income-tax Act, 1961 and the Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions.

The benefits discussed in the enclosed statement sets out the provisions of law in a summary manner only and are not a complete analysis or listing of all potential tax consequences. 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 nature of tax consequences, being based on all the facts, in totality, of the investors, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences.

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

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

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

For R. S. Dani & Company
Chartered Accountants

C P Kothari
Partner
Membership No.: 72229

Place: Ajmer
Date: June 30, 2010.

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

A. Special Income Tax Benefits available to the Company under Income-tax Act, 1961 ('IT Act')

1. Deduction under section 80-IC of the IT Act

As per the provisions of Section 80-IC of the IT Act, the profits and gains derived by the company from manufacturing units (industrial undertakings) in the backward districts as notified by the Central Government, are eligible for deduction.

B. General tax benefits to the company under Income-tax Act, 1961 ('IT Act')

1. Under Section 32 of the IT Act, the Company is entitled to claim depreciation allowance at the prescribed rates on all its tangible and intangible assets acquired and put to use for its business.
2. Under Section 10(34) of the IT Act, dividend income as referred in Section 115O of the IT Act (whether interim or final) received by the Company from any other domestic company (in which the company has invested) is exempt from tax in the hands of the Company.
3. The income received by the Company from distribution made by any mutual fund specified under Section 10(23D) of the IT Act or from the Administrator of the specified undertaking or from the specified companies referred to in Section 10(35) of the IT Act is exempt from tax in the hands of the Company under Section 10(35) of the IT Act.
4. Under Section 10(38) of the IT Act, the Long-term Capital Gains arising on transfer of equity shares in any other company or units of equity oriented funds, which are chargeable to Securities Transaction Tax ('STT'), are exempt from tax in the hands of the company. As per the provisions of Section 112(1)(b) of the IT Act, other Long-term Capital Gains arising to the Company are subject to tax at the rate of 20% (plus applicable surcharge and cess). However, as per the Proviso to that section, the long term capital gains resulting from transfer of listed securities or units or zero coupon bonds [not covered by Section 10(36) and 10(38) of the IT Act], are subject to tax at the rate of 20% on long-term capital gains worked out after considering indexation benefit (plus applicable surcharge and cess), which would be restricted to 10% of Long-term capital gains worked out without considering indexation benefit (plus applicable surcharge and cess).
5. As per the provisions of Section 111A of the IT Act, Short-term Capital Gains arising to the Company from transfer of Equity Shares in any other company or from sale of units of any equity oriented fund defined in Section 10(38) of the IT Act, are subject to tax @ 15% (plus applicable surcharge and cess), if such a transaction is subjected to Securities Transaction Tax.
6. In accordance with and subject to the conditions specified in Section 54EC of the IT Act, the Company would be entitled to exemption from tax on Long-term Capital Gain [not covered by Section 10(36) and Section 10 (38) of the IT Act] if such capital gain is invested in any of the long-term specified assets (hereinafter referred to as the "new asset") to the extent and in the manner prescribed in the said section. Currently, the limit for investment in long term specified asset is Rs. 50 lakhs. If the new asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains for which exemption is availed earlier would become chargeable to tax as long term capital gains in the year in which such new asset is transferred or converted into money.

C. Benefits to the Shareholders of the Company under Income-tax Act, 1961 ('IT Act')

I. Resident Shareholders

1. Under Section 10(34) of the IT Act, dividend referred to in Section 115O of the IT Act (whether interim or final) received from a domestic company is exempt from tax in the hands of the resident shareholders of the Company.

2. Under Section 10(38) of the IT Act, the Long-term Capital Gain arising on transfer of equity shares in any company or units of equity oriented fund, which are chargeable to Securities Transaction Tax, are exempt from tax in the hands of the resident shareholders.
3. As per the provisions of Section 112(1)(a) of the IT Act, other Long-term Capital Gains arising to the resident shareholders are subject to tax at the rate of 20% (plus applicable surcharge and cess). However, as per Proviso to that section, the long-term capital gains resulting from transfer of listed securities or units or zero coupon bonds [not covered by Section 10(36) and 10(38) of the IT Act], are subject to tax at the rate of 20% on long term capital gains after considering the indexation benefit (plus applicable surcharge and cess), which would be restricted to 10% of long term capital gains without considering the indexation benefit (plus applicable surcharge and cess).
4. As per the provisions of Section 111A of the IT Act, Short-term Capital Gains arising to the resident shareholders from the transfer of Equity Shares in a company or units of equity oriented fund defined in Section 10 (38) of the act, are subject to tax @ 15% (plus applicable surcharge and cess) if such a transaction is subjected to Securities Transaction Tax.
5. In accordance with and subject to the conditions specified in Section 54EC of the IT Act, the resident shareholders would be entitled to exemption from tax on Long-term Capital Gains [not covered by Section 10(36) and Section 10 (38) of the IT Act], if such capital gains are invested in any of the long-term specified assets (hereinafter referred to as the “new asset”) to the extent and in the manner prescribed in the said section. Currently, the limit for investment in long term specified asset is Rs. 50 lakhs. If only a part of the capital gains is so invested, the exemption would be limited to the amount of the capital gains so invested. If the new asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains for which exemption is availed earlier would become chargeable to tax as long term capital gains in the year in which such new asset is transferred or converted into money.
6. In case of a shareholder being an individual or a Hindu Undivided Family, in accordance with and subject to the conditions and to the extent provided in Section 54F of the IT Act, the shareholder is entitled to exemption from Long-term Capital Gains arising from the transfer of any long term capital asset, [not covered by Sections 10 (36) and 10 (38) of the IT Act], if the net consideration is invested for purchase or construction of a residential house. If part of the net consideration is invested within the prescribed period in a residential house, such gains would not be chargeable to tax on a proportionate basis. If, however, such new residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains for which the exemption was availed earlier would be taxed as long-term capital gains of the year in which such residential house is transferred.

II. Mutual Funds

1. In case of a shareholder being a Mutual fund, as per the provisions of Section 10(23D) of the IT Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India are exempt from income-tax, subject to the conditions notified by Central Government in this regard.

III. Non-Resident / Non-Resident Indian Member

1. Dividend (both interim and final) income, if any, received by the non resident/nonresident Indian shareholders from the domestic company shall be exempt under Section 10(34) read with Section 115-O of the IT Act.
2. Benefits outlined in Paragraph C(I) above are also available to a non-resident/nonresident Indian shareholder except that under first proviso to Section 48 of the IT Act, the capital gains arising on transfer of capital assets being shares of an Indian Company need to be computed by

converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation is not available to non-resident shareholders.

3. As per Section 90(2) of the IT Act, the provisions of the IT Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the nonresident/ non-resident Indian shareholder. Thus, a nonresident/non-resident Indian shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty.
4. Capital gains tax - Options available to a non-resident Indian under the IT Act: Non- resident Indian: As per Section 115-C(e) of the IT Act, a 'non-resident Indian' means an individual, being a citizen of India or a person of Indian origin who is not a 'resident'. As per the Explanation to the said clause, a person shall be deemed to be of Indian origin if he, or either of his parents or any of his grandparents, was born in undivided India.
5. Nonresident Indians [as defined in Section 115C(e) of the IT Act], being shareholders of an Indian company, have the option of being governed by the provisions of Chapter XII-A of the IT Act, which, is reads as under:
6. As per the provisions of Section 115D read with Section 115E of the IT Act and subject to the conditions specified therein, long term capital gains (in cases not covered under Section 10(38) of the IT Act) arising on transfer of an Indian company's shares, will be subject to tax at the rate of 10 percent (plus applicable surcharge and cess), without indexation benefit.
7. In accordance with section 115F, subject to the conditions and to the extent specified therein, long term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange (other than covered under section 10(38) of the IT Act), shall be exempt from capital gains tax, if the net consideration is invested within six months of the date of transfer in any specified asset or savings certificates referred to in Section 10(4B) of the IT Act. Further, if the specified asset or saving certificates in which the investment has been made is transferred or converted into money within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred or converted (otherwise than by transfer) into money.
8. As per the provisions of Section 115G of the IT Act, non-resident Indians are not obliged to file a return of income under Section 139(1) of the IT Act, if their total income consists of income from investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the IT Act.
9. Under Section 115H of the IT Act, where the non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under Section 139 of the IT Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are transferred or converted into money.
10. As per the provisions of Section 115I of the IT Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under Section 139 of the IT Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the IT Act.

IV. Foreign Institutional Investors (FIIs)

1. Dividend (both interim and final) income, if any, received by FIIs from the domestic company shall be exempt under Section 10(34) read with Section 115O of the IT Act.
2. Under Section 115AD, income (other than income by way of dividends referred in Section 115-O) received in respect of securities (other than units referred to in Section 115AB) shall be taxable at the rate of 20% (plus applicable surcharge and cess).
3. Under Section 115AD, capital gains arising from transfer of securities (other than units referred to in Section 115AB) which are not exempt under Section 10(38), shall be taxable as follows:
 - Securities which are held for the period of upto or less than twelve months and where such transaction is chargeable to STT levied under Chapter VII of the Finance (No. 2) Act of 2004, shall be taxable at the rate of 15% (plus applicable surcharge and cess). Securities held for the period of upto or less than twelve months and where such transaction is not chargeable to STT levied under Chapter VII of the Finance (No. 2) Act of 2004, shall be taxable at the rate of 30% (plus applicable surcharge and cess);
 - Securities which are held for the period of more than twelve months shall be taxable at the rate of 10% (plus applicable surcharge and cess). Such capital gains would be computed without giving effect of indexation as provided in the first and second proviso to Section 48. In other words, the benefit of indexation, as mentioned under the two provisos would not be allowed while computing the capital gains.
4. Long-term capital gains arising on transfer of equity shares in the Company, which is held for the period of more than twelve months and where such transaction is chargeable to STT, shall be exempt from tax under Section 10(38) of the IT Act.
5. Under section 196D (2) of the Income-tax Act, 1961, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD.
6. Benefit of exemption under Section 54EC shall be available as outlined in Paragraph C(I)(5) above.
7. As per Section 90(2) of the IT Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the nonresident. Thus, a non-resident can opt to be governed by the beneficial provisions of an applicable tax treaty.

Note: There is a legal uncertainty over whether a FII can elect to be governed by the normal provisions of the IT Act, instead of the provisions of Section 115AD. Investors are advised to consult their tax advisors in this regard.

D. Benefits available under the Gift Tax Act, 1958

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

However, if the aggregate fair market value of the shares exceeds fifty thousand rupees then, in the hands of the Donee, the same will be treated as income under the provisions of the IT Act unless the gift is from a relative as defined under Explanation to Section 56(vi) of Income-tax Act, 1961 or under circumstances mentioned in the second proviso to Section 56(vii) of the IT Act.

E. Benefits available under the Wealth-tax Act, 1957

Asset as defined under section 2(ea) of the Wealth-tax Act, 1957 does not include shares held in a company and hence, shares are not liable to wealth tax.

F. Special Benefits available to the Company under Excise legislation

1. In terms of Notification No. 50/2003-CE dated June 10, 2003, the Company is exempted from payment of central excise duty for the goods manufactured in the units at Parwanoo and Paonta Sahib (Himachal Pradesh) and Dehradun (Uttaranchal) for a period of ten years from the commencement of commercial production of eligible products.

SECTION IV-ABOUT US

INDUSTRY

The information presented in this section has been obtained from publicly available documents, Nielsen Retail Audit Report and various other sources including stock exchange and industry related websites, from publications; and is based on government and company estimates. Industry and Government websites and publications generally state that the information contained thereon has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe industry, market and government data used in the Prospectus is reliable and that website data is as current as practicable, these have not been independently verified by us or any agency on our behalf. Similarly, our Company's internal estimates, which we believe to be reliable, have not been verified by any independent agencies.

Indian Economy

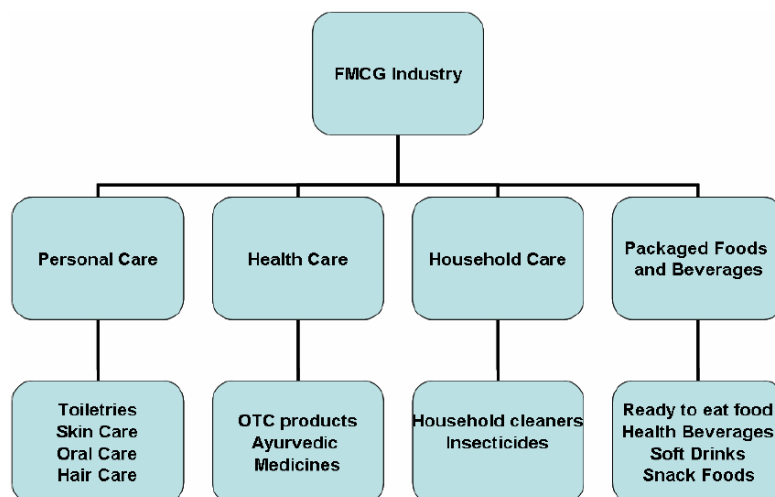
The Indian economy has experienced solid growth supported by rising foreign exchange reserves, and rise in foreign direct investment. Despite a slowdown in growth brought on by the global financial crisis, investment has remained strong. According to the Economic Survey of India, 2009, issued by the Government's Ministry of Finance, India is likely to see an average real GDP growth rate of 8.5% over the next five years. This strong growth has been primarily fuelled by growth in the industrial and services sector. The magnitude of increase in India's per capita income has also been substantial. While per capita GDP grew at an annual average rate of approximately 3-4% from 1980-81 to 2002-03, there has been a marked increase since the year 2003-2004 to 7% in 2008-2009. The table below shows GDP, GDP growth rate and GDP per capita for the relevant time periods:

	(Rs .in billions)					
	2004-05	2005-06	2006-07	2007-08	2008-09 (E)	CAGR
GDP (constant market prices)	26,020	28,449	31,200	34,027	36,094	8.5%
Growth Rate	8.30%	9.30%	9.70%	9.10%	6.10%	
Real Per Capita GDP	23,893	25,722	27,807	29,901	31,277	7.0%

At a rate of 7.9%, GDP growth in the second quarter of 2009-10 showed significant signs of recovery as compared to the 5.8% recorded during the slowdown experienced in the second half of 2008-09. GDP growth in India is expected to remain relatively strong in the long term, though the recent global economic downturn has lowered estimates for India's immediate growth. Economic growth in India has spawned a more affluent middle class. Demand for FMCG is also closely tied to rising income levels. As income levels rise, the demand for FMCG increases. As this growing middle class continues to see its income level rise, it is likely to seek higher quality products. In addition, as incomes rise in the lower income levels, consumers tend to shift from unbranded to branded FMCG.

The Indian FMCG Industry

The FMCG industry represents consumer goods required for daily or frequent use. It can be broadly classified into personal care, health care (over the counter products), household care and packaged food and beverages. The Indian FMCG sector, valued at Rs.1,161 billion, according to the Nielsen Retail Audit Report, is an important contributor to the country's GDP. The Indian FMCG industry is characterized by a well-established distribution network, intense competition between the organized and unorganized sector and low operational costs.



In the past decade, this industry has witnessed significant growth. This has primarily been due to liberalization, urbanization, an increase in disposable income, altered lifestyles as well as a heightened level of awareness among India's rural community consequent to the introduction of satellite televisions. Growth has also been fuelled by a reduction in excise duties, de-reservation from the small-scale sector and the concerted efforts of the companies engaged in the business of manufacturing of personal care and beauty care products to capture market share in the burgeoning affluent middle class through the introduction of innovative methods of brand position and packaging.

The FMCG industry requires an extensive distribution network and consistent expenditure on brand building. These two factors have been the major deterrents for new players to enter into the market, most notably for foreign players looking to leverage their well-established brands into the Indian market.

The FMCG sector caters to the needs of the masses. Low-priced products for the lower income and lower middle income groups account for well over half of the sector's sales. Moreover, rural markets account for more than half of total domestic FMCG demand.

FMCG Industry Drivers and Trends

Economic growth & higher per capita income

India's economic growth has accelerated significantly in the past few years and is likely to remain so for the near term. Real per capita GDP has risen from Rs.23,893 in 2004-05 to Rs.31,277 in 2008-09, representing a CAGR of 7%, according to the Economic Survey of India. This has directly benefited the FMCG sector as overall economic growth has been accompanied by increased disposable incomes both in the urban and rural markets which have fuelled consumption demand. Demand for FMCG products are likely to continue to increase, most notably in rural areas of India, where consumers have experienced an increase in the amount of disposable cash due to farmers shifting to cash crops, rural employment generation schemes and general economic growth. Per capita incomes have grown to Rs.24,256 in 2007-08, according to the Economic Survey of India. A continued growth is likely to vest further purchasing power in the hands of the Indian consumer.

Rising middle class

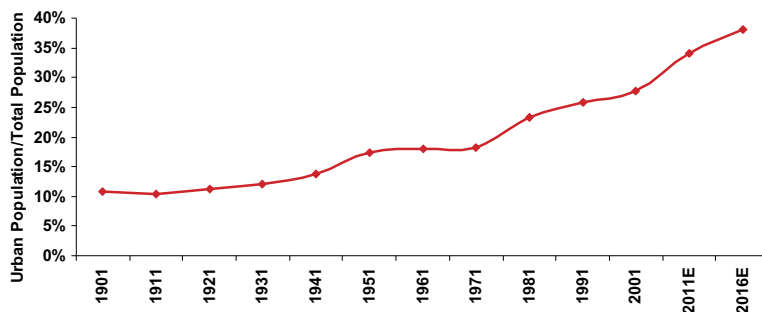
India's demographics have been favourable to consumption growth with an increase in proportion of consuming population, both in terms of age and income. According to a study published by the Institute of Economic Growth, New Delhi, India's population of the consuming age bracket (defined as consumers in the 15-64 age group) is poised to grow from 604 million in 2000 to 747 million in 2010. This increase in proportion of consuming population coupled with an overall population growth of 1.46% per annum is likely to create a sustained growth in demand for the FMCG industry.

Increasing urbanization and untapped rural markets

According to the Indian Readership Survey 2009 (Round 2), the proportion of people dwelling in urban areas has increased from 29.6% in 2005 to 30.3% in 2009. Immigration accounted for nearly half of the overall growth in urban population.

This rise in urbanization along with the rise in travel and communication is likely to result in increasing exposure to western lifestyles, which will, in turn, drive aspirational shifts in lifestyle to more sophisticated products and services. In terms of brand choices, rural India has access to roughly half the branded products that are available to the urban consumer. However, despite the prospect of a large untapped market, a variety of factors have hindered its full exploitation. With the Government's push to improve rural infrastructure coupled with the increased focus on rural distribution networks by FMCG companies, the potential for these markets to be tapped by the FMCG sector may improve in the near future.

The urban market is, however, expected to continue growing. The National Council of Applied Economic Research's ("NCAER") projected that the top 20 cities accounted for approximately 31% of the country's disposable income. NCAER also notes that annual household income grew at a rate of 11.2% in these 20 cities during 2005-08 and is expected to maintain a growth of 10.2% till 2016. This growth, coupled with the growth of middle class households should lead to greater FMCG consumption. The chart below depicts the urbanization trend in India over the last century.



Retail Expansion

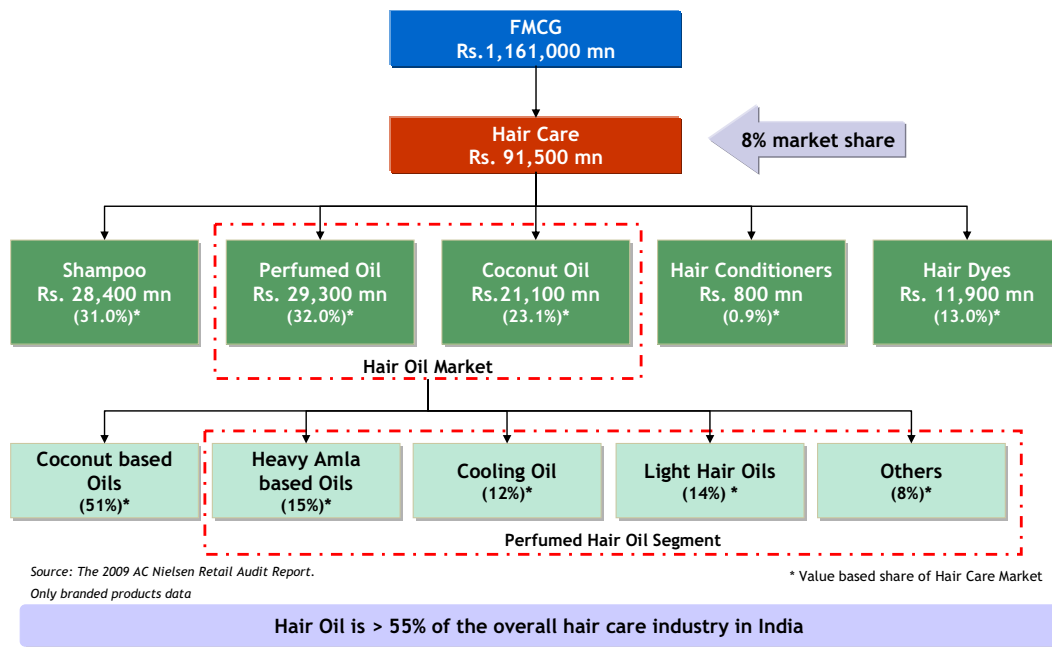
Organized retail is witnessing high growth today while its share as a percent of total remains small. The share of organized players in the retailing industry is expected to increase from the current 5% to 12% by 2013, according to India Brand Equity Foundation, September 17, 2009. Growth in the organized retail sector will be beneficial to the FMCG industry as organized retail is likely to drive consumption of products with its different formats that will enhance accessibility and affordability. Alternate forms of retail are also emerging in India such as large scale supermarkets and hypermarkets. While the trade margins and discounts expected by these chains are generally higher than traditional retail outlets, they tend to provide an opportunity for better merchandising and visibility as well as cost savings through direct sales rather than through intermediaries and rationalization of packaging. Opening up the retail sector to foreign direct investment will likely attract overseas retailers in India fuelling demand for FMCG merchandise.

Branded Sector

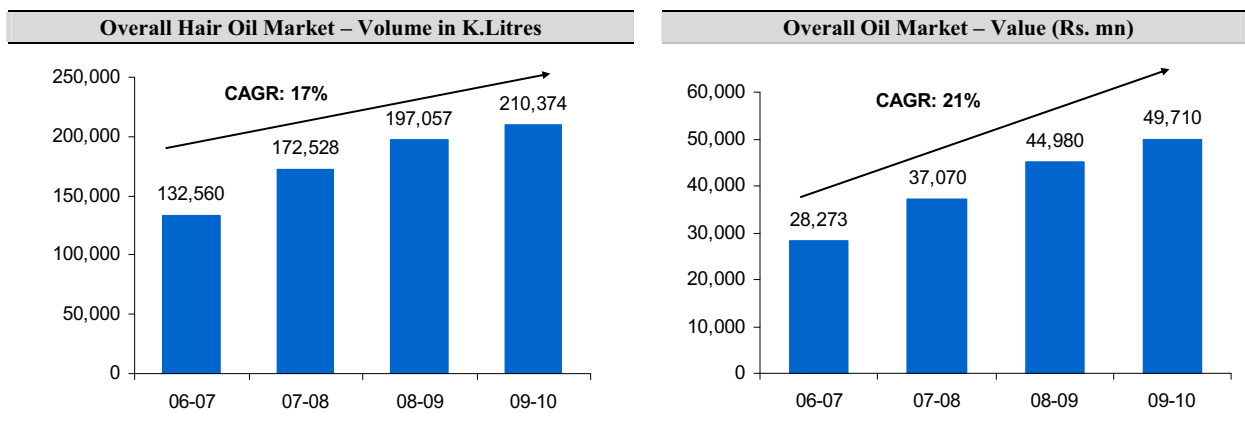
Rising per capita and disposable incomes should generate a higher proportion of spending in discretionary items as against necessities. As a result, brand consciousness among a larger public will increase and consumers will prefer to purchase and use branded goods. Currently, unbranded FMCG products, most notably in the hair oil segment, account for a significant percentage of overall sales. Rising income levels should help reduce the impact of competition from the unbranded sector. Branded goods typically attract premiums for better quality, packaging and overall solution levels.

Hair Oil Industry

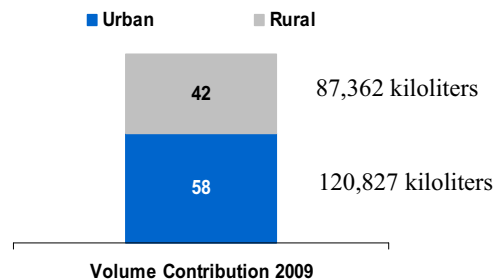
Of the estimated Rs.1,611 billion FMCG market in India, hair care products make up approximately Rs.91.5 billion, or 8%, of the total according to the Nielsen Retail Audit Report. The 14% growth rate in the hair care industry is also slightly higher than the overall industry average of 13.4%. Shampoo and hair oils, including coconut oils, continue to be the key components of this segment.



Recent growth in the hair oil industry has primarily been the result of volume growth due to increased distribution and higher per dealer off-takes.



Rural distribution campaigns by hair oil manufacturers and dealers have helped to expand the geographic coverage of hair oil products into the rural parts of the country. The graph below depicts the break up of urban and rural sales contribution by volume:



There has been a steady decrease in unbranded hair oil penetration. Penetration Percentage is shown below :-

Year	Unbranded Hair oils	Branded Hair Oils	Total Hair Oil
2000	58%	29%	85%
2003	57%	35%	90%
2005	51%	37%	87%
2006	40%	44%	84%

Branded hair oil is increasing penetration at the expense of unbranded hair oils. Usage ratio of households using branded hair oils is shown below:-

Year	Urban (%)	Rural (%)
2000	52%	26%
2003	59%	30%
2005	61%	35%
2006	68%	46%

Source: NRS

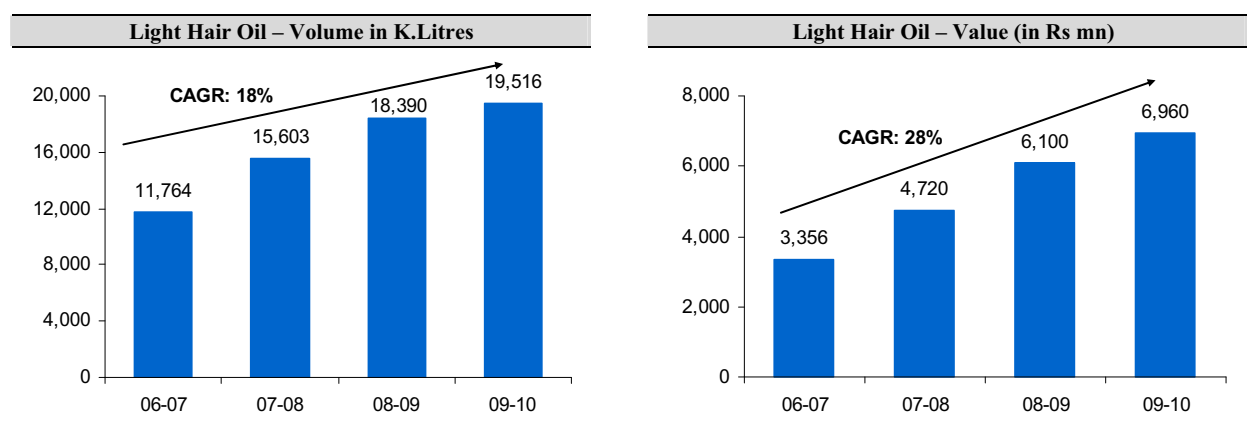
In addition, average prices for hair oil products have risen from Rs. 22.25 per 100 ml in 2008 to Rs.23.74 per 100 ml in 2009 according to the Nielsen Retail Audit Report. This price increase is reflective of the shift to higher quality branded products resulting from a more affluent Indian consumer population. The chart below shows key statistics for the hair oil industry in FY 2009-10:

All India (Urban + Rural) Hair Oils	FY 2009-10
Number of stores ('000)	5,430
Change in the Number of Stores ('000) over FY 2008-09	199
Per Dealer Off-Take Volume (in liters)	38.7
Change in Per Dealer Off-Take over FY 2008-09	1.1

Source: Nielsen Retail Audit Report

Light Hair Oil Segment

The light hair oil segment has experienced significant growth in recent years as consumers opt for lighter, more modern hair oil products. The light hair oil segment recorded sales of Rs.6,960 million in FY 2009-10 according to the Nielsen Retail Audit Report. Sales growth was primarily the result of dealer expansion and higher throughputs resulting in higher volumes sold. An increase in average price has also contributed to higher sales value in FY 2009-10. The chart below shows key figures for the light hair oil segment in over the period FY 2007-10:



All India (Urban + Rural) Light Hair Oils	FY 09-10
Number of stores ('000)	2,148
Change in the Number of Stores ('000) over FY 2008-09	145
Per Dealer Off-Take Volume (in liters)	9.08
Change in Per Dealer Off-Take over FY 2008-09	-0.10

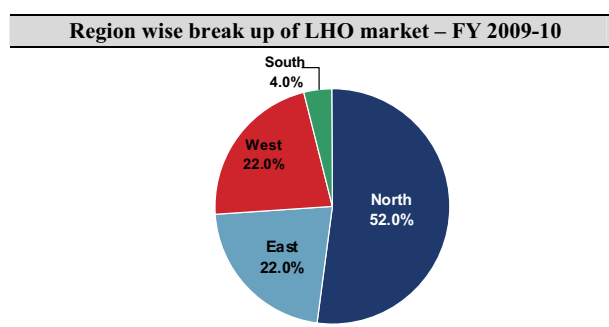
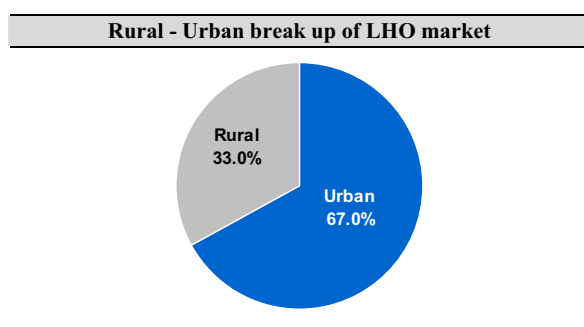
Source: Nielsen Retail Audit Report

The light hair oil segment is dominated by three key players, namely Bajaj Almond Drops and two other brands which together accounted for approximately 83.8% of sales volume according to the Nielsen Retail Audit Report. The high degree of concentration among the competition in the light hair oil segment is similar to what is observed in other segments of the hair oil industry. The chart below shows key statistics for the various competitors in the light hair oil segment:

FY 2009- 10	Market Share (Volume)	Change Market Share (Volume)	Volume (Kilo Litres)	Growth Volume	Stores (in 000's)	Change in number of Stores ('000)
LIGHT HAIR OILS			19,516	6.12	2,148	145.5
BAJAJ Almond Drops	47.7	3.68	9,300	14.71	1,556	189.5
Competitor 1	20.8	(3.3)	4,062	(8.30)	983	(79.1)
Competitor 2	15.3	(0.2)	2,980	4.53	662	(16.4)
Competitor 3	6.1	(0.6)	1,190	(3.47)	133	(30.6)
Competitor 4	2.5	0.0	479	6.30	184	(14.7)
Competitor 5	2.1	(0.4)	412	(10.79)	88	81.8
Competitor 6	1.1	0.1	211	22.16	305	18.5

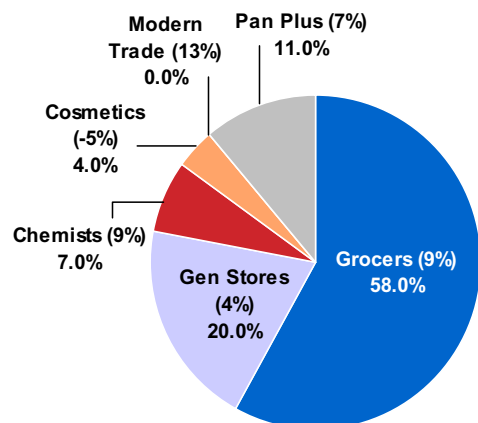
Source: Nielsen Retail Audit Report

Light hair oil is an urban dominated segment primarily due to its comparatively high cost. Light hair oil sales also tend to be more geographically concentrated, particularly in the northern regions of the country, namely Punjab, Delhi, Uttar Pradesh and Rajasthan, due to higher disposable incomes and the propensity of consumers to try new products. The northern regions accounted for approximately 52% of sales volumes and grew by 10% (volume growth) in FY 2009-10 according to the Nielsen Retail Audit Report. The charts below display the overall sales breakdown for light hair oil sales in urban and rural parts of the country as well as the sales breakdown for the major players in the market by metro, tier I cities, rest of urban and rural markets:



Distribution of light hair oils continues to be dominated by grocers, who accounted for 58% of sales volumes in India and 54% in the northern regions in FY 2009-10 according to the Nielsen Retail Audit Report.

Share of Distribution Channels in LHO – FY 2009-10

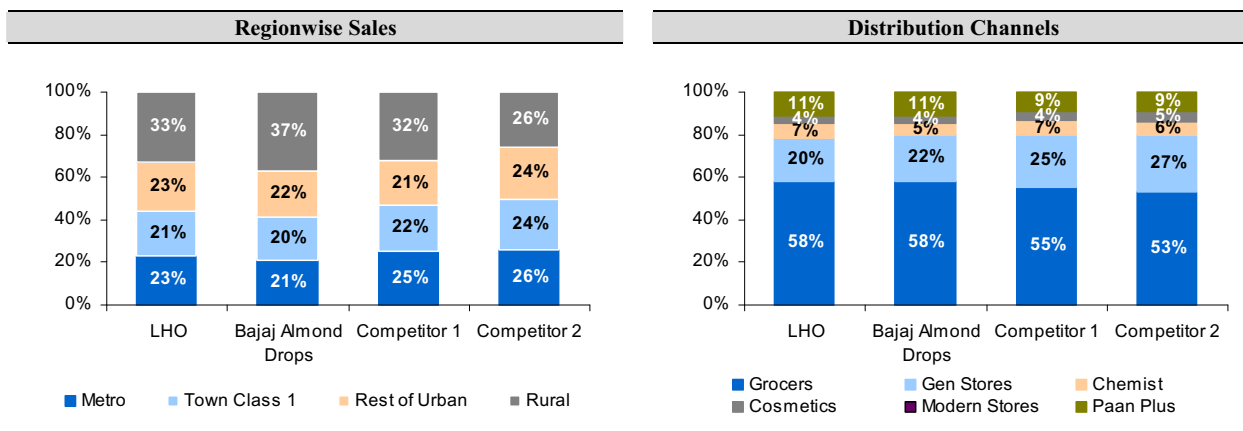


(%) – Growth rates; % - Market share

(%) – Growth rates; % - Market share

Source: Nielsen Retail Audit Report

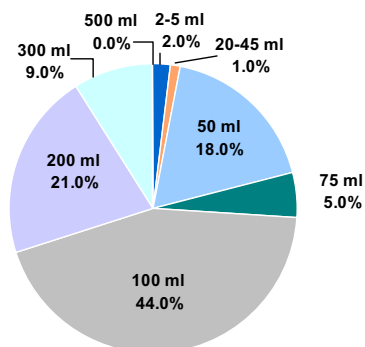
The chart below depicts the region wise sales and sales percentage breakdown by distribution channels (i.e. grocers, general stores, chemists, paan plus, modern trade and cosmetics) for FY 2009-10:



Source: Nielsen Retail Audit Report

Packaging continues to be a critical factor driving sales in the FMCG industry, including hair oils. Proper product positioning and package size are especially important in driving sales growth in the rural areas of the country that continue to be dominated by unbranded products. Smaller pack sizes allow consumers the choice of purchasing a product that might otherwise be beyond their spending constraints. As distribution spreads into the rural parts of the country, smaller pack sizes, including sachets, have become increasingly important. While 100 ml packs continue to be the most popular choice among Indian consumers of light hair oil products, 300 ml and 75 ml package sizes recorded the most significant growth in FY 2009-10 according to the Nielsen Retail Audit Report. The chart below depicts the package sizes in the light hair oil segment.

Distribution of Sales by Package Size for LHO segment – FY 2009-10



The chart below depicts the package sizes among the light hair oil segment's significant players for FY2009-10:

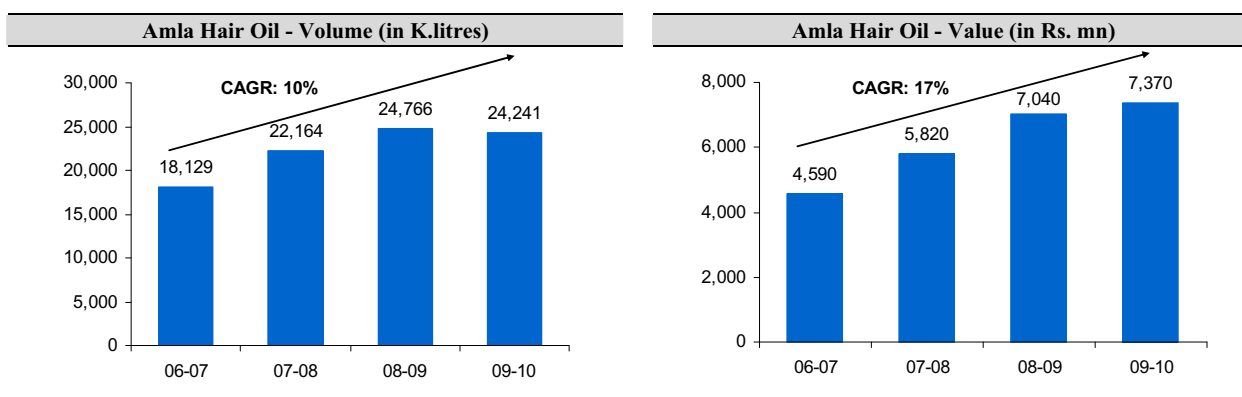
Categories	(% category wise volumes)			
	Light Hair Oil	Bajaj Almond Drops	Competitor 1	Competitor 2
Sachets 2-5ml	3	5	0	0
20-45ml	1	2	0	0
50ml	18	20	16	19
75ml	5	5	0	0
100ml	44	39	49	42
200ml	21	20	20	27
300ml	9	9	13	12
500ml	0	0	2	0

Source: Nielsen Retail Audit Report

Heavy Amla Hair Oils

The heavy amla hair oil segment has seen strong growth in recent years. The heavy amla hair oil market is primarily an urban driven market and tends to be geographically concentrated in the northern parts of the country. The heavy amla hair oil segment recorded sales of Rs.7,370 million in FY 2009-10, representing a growth rate of 4.7% from FY 2008-09, according to the Nielsen Retail Audit Report. Sales growth was primarily the result of higher volume and per dealer off-take increases during FY 2009-10.

The chart below shows the increase in Volume and Value for the heavy amla hair oil segment in FY 2009-10:



All India U+R Heavy Amla Based Oils	FY 2009- 10
Volume (in kilo liters)	24,241
Volume Growth (%) over FY 2008-09	(2.12)
Value (Rs. millions)	7,372
Value Growth (%) over FY 2008-09	4.7
Number of stores ('000)	2,500
Change in the Number of Stores ('000) over FY 2008-09	14,135
Per Dealer Off-Take Volume (in liters)	8,206
Change in Per Dealer Off-Take over FY 2008-09	(21)

Source: Nielsen Retail Audit Report

The heavy amla hair oil segment is largely dominated by one key player, with several players competing for increased market share. Although the leader continued its dominance in FY 2009-10, Bajaj Brahmi Amla's market share in FY 2009-10 increased by 0.2% over FY 2008-09. The chart below shows key statistics for the various competitors in the heavy amla hair oil segment:

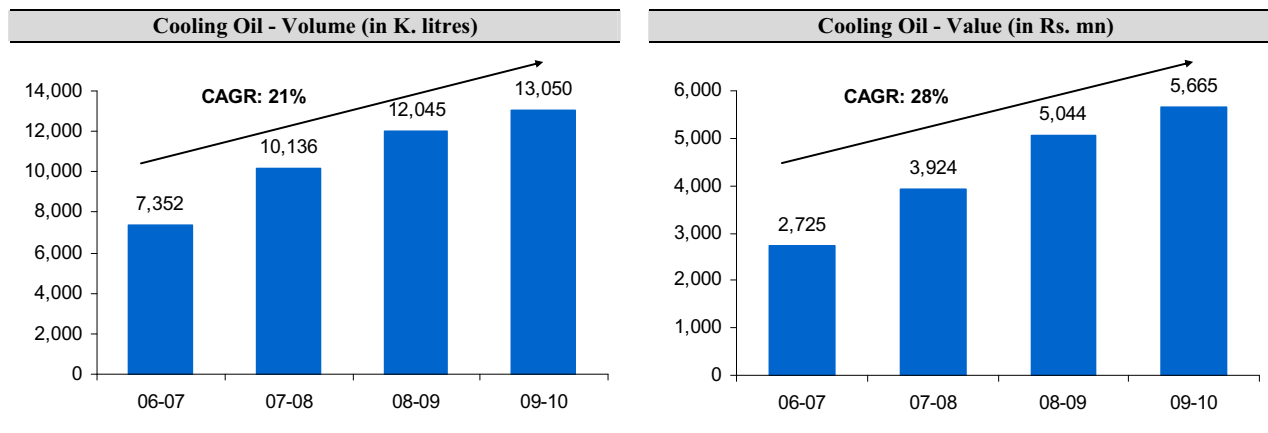
FY 2009-10	Market Share (Volume)	Change Market Share (Volume)	Volume (Kilo Litres)	Growth Volume	Stores (in 000's)	Change in number of Stores
Heavy Amla Based Hair Oils			24,241	(2.1)	2486	(14.1)
Competitor 1	69.3	(0.5)	16,790	(2.8)	2059	(68.8)
Competitor 2	8.6	0.5	2,094	4.1	490	(17.7)
Competitor 3	5.4	(1.2)	1,302	(19.7)	485	(9.8)
Bajaj Brahmi Amla	3.3	0.2	802	2.5	296	(35.4)
Competitor 4	2.6	(0.2)	621	(8.4)	322	(34.9)
Bajaj Amla Shikakai	2.1	0.2	514	7.6	176	(13.2)
Competitor 5	1.1	-(0.1)	266	(8.6)	78	(18.0)
Bajaj Chameli Jasmine	0.4	0.1	101	11.4	79	(10.9)

Source: Nielsen Retail Audit Report

Cooling Oils

Cooling Oils have emerged as an important segment in the Indian hair oil market. Cooling oils are hair oils meant for cooling the scalp during the harsh summer months. The ingredients in the cooling oils cause immediate relief by cooling the scalp. The CAGR of the category has been 20% over the last 5 years. The cooling oil category is now nearly Rs. 7,000 million in the year ended March 2010.

The chart below shows the increase in volume and value over the last four years.



Outlook

Changing Consumer Preferences

Preferences of Indian consumers are changing in large part due to the increasing consumerism due to rising incomes. Indian consumers, even those in the rural areas, increasingly prefer branded over unbranded products. Brand equity campaigns will play a critical role in increasing the product reach of branded products in the hair oil market.

Value Added Hair Oils

Consumers are increasingly recognizing the value added characteristic hair oils offer over pure oils. This is evidenced by research by consumer panels wherein the main source of growth of value added hair oils comes from a switch from either unbranded hair oils or pure coconut oils.

Declining Market Share of Hair Creams and Gels

The market has recently witnessed a slow down of growth for those products competing with hair oils such as hair creams and gels. The relatively small size of the market for these alternative products is a result of inability to get conversions on account of nutritional aspects of hair oils.

Increased Distribution

Hair oil manufacturers have made significant gains in the reach of their distribution networks in recent years, most notably in the rural areas of the country. Hair oil manufacturers see the rural population as an important opportunity for growth due to rising incomes as well as improved infrastructure. As such, significant investments have been made, and will likely continue to be made, in widening the reach of hair oil manufacturers' distribution networks in the rural parts of the country.

Improved Brand Image

Hair oil manufacturers are making efforts to improve their brand image from a traditional product to a more modern product format. The younger, more affluent and style conscious demographics in the country have led hair oil manufacturers to move in this direction. Brand advertising, celebrity endorsements and product positioning will continue to play an important role in this transition.

With disposable incomes on the rise in India, increased rural distribution and greater propensity of consumers to switch to branded products, there should continue to be a steady consumer shift away from less expensive unbranded hair oils and lower priced branded products such as coconut oils. However, the areas of key concern are:

Competition: Competition in the hair oil industry appears to be increasing in the near term with at least three new brand launches in the light hair oil market. In addition, competition between branded and unbranded players remains intense. Extended distribution reach into rural areas and competitive pricing is helping branded players to compete more effectively against their lower priced unbranded competitors.

Cost Pressures: The major raw materials used in hair oils, vegetable oils and LLP, have both experienced significant price volatility over the last few years. Increasing raw material prices will make competing against lower priced unbranded hair oils and traditional pure oils more difficult.

Summary

The overall possible increase in consumption provides a large opportunity for hair oil companies. The task of winning over consumers by drawing them to a particular brand and retaining them however remains challenging. Constant interactions with consumers and thereby gaining insights that would lead to new products and improved product delivery are the key ingredients to successfully tapping this opportunity. Cutting through confusing advertisements will require communication to be that much more distinctive. Companies in the hair oil sector that will achieve success in the future are likely to be those that focus on meeting the consumer's stated and unstated needs and at the same time are able to communicate effectively. The ability to maintain a premium, both real and perceived, will be a critical component to being a leader in the hair oil industry.

OUR BUSINESS

Investors should note that this is only a description of our business and operations and does not contain all the information that should be considered before investing in our Equity Shares. Before deciding to invest in our Equity Shares, prospective investors should read the entire RHP, including the information in the sections "Risk Factors", "Financial Information" and "Management Discussion and Analysis of Financial Condition and Results of Operation" beginning on pages 9, 139 and 158 respectively of this RHP.

Overview

Bajaj Corp Ltd is one of India's leading producers of hair oils. We are part of the Shishir Bajaj Group of companies (the "Bajaj Group"). Through its subsidiaries, the Bajaj Group operates businesses in the consumer goods, sugar, power generation and infrastructure development industries throughout India. The "Bajaj" name is a well-recognized Indian brand that consumers associate with quality products at competitive prices. The Bajaj Group has grown into one of India's leading business conglomerate

The legacy of Bajaj Corp extends back to 1953 when Mr. Kamal Nayan Bajaj established Bajaj Sevahram ("BSL") to market and sell hair oils and other beauty products. In 2001, in view of the impending Bajaj family settlement, the business was demerged to Bajaj Consumer Care Limited ("BCCL"). BSL assigned the trademarks for all of the brands we currently sell to BCCL. Subsequently, BCCL licensed these brands to us, pursuant to the Trademark License Agreement. The exclusive agreement is valid for a term of 99 years from March 12, 2008 and is extendable for an additional ten years. We began operating as Bajaj Corp Ltd in April 2008. The Trademark License Agreement granted us the exclusive right to use, manufacture, advertise, distribute and sell the products associated with these brands. We have since become India's third largest producer of hair oils and the largest producer of light hair oils, capturing an estimated 50.3% of the light hair oil market (based on value) in fiscal year ended March 31, 2010, according to Nielsen Retail Audit Report. We believe that our name recognition, product quality and marketing experience have enabled us to create one of the stronger consumer brands in India. Our key product is Bajaj Almond Drops, a premium brand that is currently the market leader in the light hair oil segment. Almond Drops accounted for approximately 92.4% of our net sales in the fiscal year ended March 31, 2010. In addition, we market our hair oil under the brand names Brahmi Amla, Amla Shikakai and Jasmine Hair Oil. We also produce oral care products under the brand name Bajaj Black Tooth Powder.

We manufacture our products at three company-operated facilities in Parwanoo, Dehradun and Ponta Sahib. We commenced commercial production at our company-operated facility at Ponta Sahib in March 2010. By completing this 3,500 square meter facility in Paonta Sahib, our production capacity for light hair oil increased from 39 million litres per annum to 74 million litres per annum. In addition, we also engage third-party manufacturers at Parwanoo, Himachal Pradesh for hair oils and Udaipur, Rajasthan to produce our oral care products. These third-party facilities have a combined installed capacity of 9 million litres per annum. As of March 31, 2010, the combined production capacity for all company and third-party operated production facilities was 83 million litres per annum.

We market our products through our in-house sales team as well as sales personnel employed through our distributors. These sales personnel are responsible for making our brands available throughout India. We manage a distribution network that includes 4,600 distributors, or "stockists", that sell to more than 1.56 million retail outlets located throughout India.

We believe we are well-positioned to compete in a dynamic marketplace by offering our customers high quality products at affordable prices. We believe that demand for fast moving consumer goods ("FMCG"), particularly hair oil, will continue to increase, most notably in rural areas of India where consumers have generally experienced an increase in disposable incomes due to farmers shifting to cash crops, rural employment generation schemes and general economic growth.

In the fiscal year ended March 31, 2010, we recorded net sales of Rs.3,300 million. Net sales of our products have grown at a CAGR of 32.4% over the last three fiscal years (including sales data from when our products were sold by BCCL). Our profit after tax for the fiscal year ended March 31, 2010 was Rs.839.13 million. Domestic sales accounted for approximately 99.5% of net sales for the same period.

Competitive Strengths

We believe that we are well-positioned to maintain our status as one of the leaders in the Indian hair oil market as well as to exploit significant growth opportunities in the expanding market for light hair oil. We have identified the following sources of strength that are relevant for our business.

Leading brands

Almond Drops is our leading product brand and currently comprises approximately 92.4% of our net sales. Almond Drops is a premium light hair oil containing almond oil and Vitamin E, which contribute to the product's reputation for leaving users with healthier hair. Unlike most hair oils which are packaged in plastic PET bottles, Almond Drops is packaged in glass bottles, which preserves the product for a longer period of time even in high temperatures generally experienced throughout India. In addition, we believe Brahmi Amla, our key product in the traditional hair oil segment, has developed a loyal customer base since it began production in 1953. The strong positioning of these brands has contributed to sustained increases in both the price and volume of these products and we expect this trend to continue as the hair oil market continues to grow, and in particular as the light hair oil market continues to capture market share from the coconut hair oil segment.

Wide distribution reach

We have established a strong distribution network in India and currently have 4,600 distribution stock points for direct distribution and 8,900 wholesalers for indirect distribution of our products. Based on Nielsen Retail Audit Report, it is estimated that our products are sold in more than 1.56 million retail outlets across India, which is approximately 28.7% of the total hair oil outlets in India. Our distribution outlets are strategically spread across India in order to allow us to compete on a national scale. We have been increasing and will continue to increase the size of our stock points and sales team, particularly in the rural areas where we expect growth to be more significant. Our distribution network is supported by a comprehensive management information system ("MIS") whereby sales reports are generated by our on-the-ground sales force. We believe our wide distribution reach will allow us to achieve optimal product penetration going forward and increase our revenues and profit margin.

Strong product heritage

The products that we sell in the hair oil market have a strong brand heritage, some dating back more than 50 years. We believe we have a portfolio of strong-brands which are well-recognised in the Indian market. For example, BSL began manufacturing one of our most popular products, Brahmi Amla, in 1953. Almond Drops, which BSL began producing in 1990, is our most successful product and currently captures more than 50.3% of the market in the light hair oil segment in terms of both volume and value, according to the Nielsen Retail Audit Report. In addition, we believe the "Bajaj" name will help us to grow our sales in the rural parts of India, an area critical to our future growth strategy. We believe the strength of the brands we produce, along with the brand recognition and trust engendered to the "Bajaj" name, will position us well for anticipated future growth in the hair oil market, as well as other FMCG segments that we may decide to enter.

Strong financial position

We have a strong financial position which. Our profit after tax for the fiscal year ended March 31, 2010 was Rs.839.1 million. We are a debt free Company. We believe our strong financial position and operational results will provide us with the necessary working capital and access to banking and credit facilities, if required, to implement our growth strategy. Our ability to raise additional funds through first time borrowing should allow us to pursue inorganic growth opportunities and allow us to expand and enhance our existing product offerings and improve our future financial performance.

Relationship with the Bajaj Group

The Bajaj Group was founded in 1926 by Shri Jamnalal Bajaj. Today, the Bajaj Group is one India's leading conglomerates operating companies in a variety of industries such as sugar, consumer goods, power generation and infrastructure development. Over the past 84 years, the Bajaj Group has grown with India, enduring periods of uncertainty, hardship and progress. As a result, we believe the Bajaj name and the products of the Bajaj Group, including our own, engender a sense of pride in the Indian people which is linked to their growth and the development of the nation. We believe that our association with the Bajaj Group and the Bajaj name and the trust associated with them are a key strength of our business.

Business Strategies

We intend to grow our business by implementing the following key strategies:

Grow our hair oil business

Our primary focus is to increase our share of the hair oil market. We intend to achieve this by differentiating our light hair oil products from those of our competitors, as well as by taking market share from producers in the coconut oil market. Coconut oils make up approximately 60% of the total hair oil market by volume, while light hair oils comprise only 13% by volume. If we are able to effectively communicate the advantages of switching to lighter hair oils such as ours, we believe this provides us with a significant growth opportunity. We will continue to pursue a strategy of converting coconut oil users into consumers of our light hair oil products through sampling, targeted advertising campaigns and product innovation.

Increase our focus on rural markets

We believe that our focus on rural markets for our products will allow us to benefit from this growing sector where, as a result of difficulties with distribution, penetration of branded FMCGs has been slow to develop. The market for hair oils in rural India is growing due to the rural populations increase in disposable income which is related to farmers shifting to cash crops, rural employment generation schemes, general economic growth as well as a general monetary trickle-down effect from increased urbanization. For example, the proportion of rural sales (based on value) of Almond Drops has grown from 29.4% in 2006-07 to 37.5% in 2009-10. A key component to our growth in the rural market will be shifting rural consumers to branded and packaged products from unbranded products. We intend to work towards the goal by providing rural consumers with an appropriate value proposition including price, positioning, and packaging

Enter new product lines and segments

In the past, we have been able to introduce and establish new products in new or existing segments, such as Bajaj Amla Shikakai hair oil. Going forward, we intend to leverage our existing strengths, such as the use of almond extracts, the Almond Drops brand name and a strong distribution network, to create new products in other areas of the FMCG space such as soaps, shampoos, creams and other hair care products. Almond Drops enjoys strong brand equity in the premium light hair oil segment and we will continue to seek opportunities to extend this brand equity to other premium personal care products. We intend to continuously evaluate changing tastes and preferences of Indian consumers with increasingly sophisticated needs, with the goal of creating a pipeline of new products.

The rapidly growing cooling hair oil market, in particular, represents an opportunity for us to penetrate as it offers relatively high margins. Cooling hair oil is applied to provide respite from intense heat. Growth in the cooling oil market is especially prevalent in the rural areas of India, a geographic market we are particularly keen on focusing our marketing efforts. Competition in the cooling oil market is less intense than in other FMCG markets in India. We believe the "Bajaj" name and our current portfolio of brands command strong recall and we intend to leverage this brand recall into developing our own cooling oil product. The process of launching a new cooling oil brand will be supported by our strong research and development team, which we intend to expand with the completion of our new facility in Paonta Sahib. In addition, our wide distribution reach should help us to successfully launch and support any new brand in the cooling oil market.

Pursue inorganic growth opportunities

We will continuously seek out inorganic growth opportunities in the FMCG and hair oil markets as one of the avenues for our future growth. If and when appropriate opportunities arise, we will consider acquiring suitable targets and entering into strategic relationships as part of our growth strategy in India. We will specifically target companies where we feel significant synergies would arise through a strategic combination. We believe our strong nationwide distribution network would enable us to take a product that has historically enjoyed regional success and turn it into household name. Strategic acquisitions will act as a key enabler in growing our business.

Products

Our principal product is Almond Drops, which is in the light hair oil segment. In addition, we also produce other hair oils and oral care products. The tables below set out net sales and percent of market share of the major brands we sell for the periods indicated.

Product	Net Sales (Rs. Millions)	
	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
Almond Drops	2,256	3,050
Brahmi Amla	113	156
Amla Shikakai	46	56

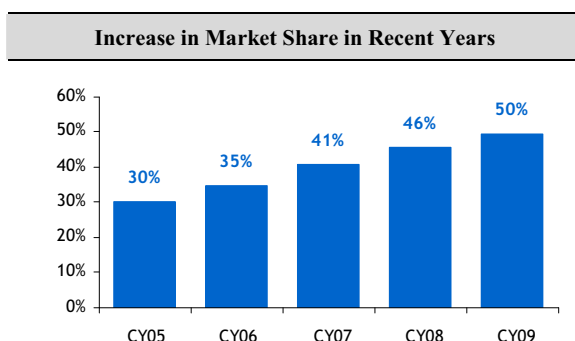
Product	Market Share % by Value				
	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10
Almond Drops (light hair oil)	31.4%	36.7%	40.3%	46.5%	50.3%
Brahmi Amla (heavy amla)	4.9%	3.7%	3.2%	3.0%	3.3%
Amla Shikakai (heavy amla)	0.1%	1.5%	1.6%	1.4%	1.6%

Hair Oil

Our hair oil products are widely used throughout India under three principal brand names: 'Almond Drops', the market leading brand for light hair oil; 'Brahmi Amla', traditional heavy hair oil produced since 1953; and 'Amla Shikakai', a heavy hair oil catering to cost conscious consumers. The overall market share of our hair oil brands (based on value) in the Indian hair oil market for FY 2009-10 was 7.8%, as compared to 6.7% in FY 2008-09, according to Nielsen Retail Audit Report.

Almond Drops Hair Oil

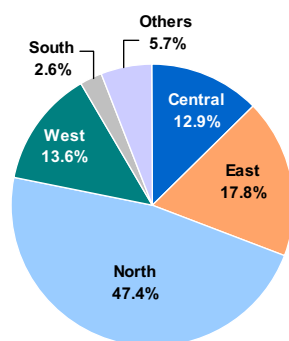
Our key brand, Almond Drops, is the leading brand in the premium light hair oil category in India according to Nielsen Retail Audit Report with a 46.5% market share as of March 31, 2009 and 50.3% as of March 31, 2010. The below chart shows our increase in market share in recent calendar years.



Source: Nielsen Retail Audit Report

In line with the light hair oil industry sales figures as a whole, North India is the largest market for our company with East India being the fastest growing market.

Geographical Sales Break up of Almond Drops – FY 2009-10 (India)



Indian consumers are moving away from the traditional heavy and sticky hair oils towards light hair oils, such as almond oil, due to its non-sticky feel, nourishing characteristics and modern look. We believe that coconut oil consumers' will be receptive to a shift to more modern and less sticky products. So, we have focused the majority of our efforts in marketing the Almond Drops brand. Almond Drops hair oil is one of the least greasy oils on the market. It soaks in quickly and leaves only a slight residue on the hair. We believe Almond Drops hair oil is particularly popular among the younger generation of Indian consumers. We have attempted to capture this in our recently launched advertising campaign where

we promote Almond Drops as a brand that is synonymous with “nutrition”, "style", "modernity" and "value for money", all four characteristics that are important to the younger generation of Indian consumers. As of March 31, 2010, Almond Drops accounted for approximately 50.3% of the light hair oil market, and is currently one of the fastest growing brands in the light hair oil market according to Nielsen Retail Audit Report.

Traditionally, Indian consumers have associated heavy and sticky oils with a healthier finish for their hair. In order to overcome this, we emphasize the use of real almond extracts and added Vitamin E. We believe the resulting formula, which contains approximately 300% more Vitamin E than coconut oil, leaves users with a much healthier finish than traditional oils. The added Vitamin E is believed to increase blood flow to the user's scalp helping to nourish hair roots making hair seem strong and healthy. In addition, the non-stickiness of Almond Drops provides users with an ease of styling not found with traditional hair oils.

Almond Drops sells at the premium end of the hair oil market, and is currently among the highest priced hair oils in India. For the fiscal year ended March 31, 2010, our gross margins for Almond Drops stood at 65%. Strong brand positioning has allowed us to maintain premium pricing. We believe our customers will continue to pay a premium price for a noticeably higher quality product. Our strategy has been, and we expect it to continue to be, to command high margins for our Almond Drops and to be well positioned at the high end of the light hair oil market.

We package Almond Drops in a unique glass bottle. This glass bottle helps to retain the product's aromas that would otherwise be lost in traditional plastic bottling due to the high temperatures experienced throughout India. In addition, we believe the glass bottling lends credibility to the premium nature of the Almond Drops brand. Almond Drops is available in 300 ml, 200 ml, 100 ml, 75 ml, 50 ml, 20 ml bottles as well as a 3 ml sachet that is particularly popular in rural India.

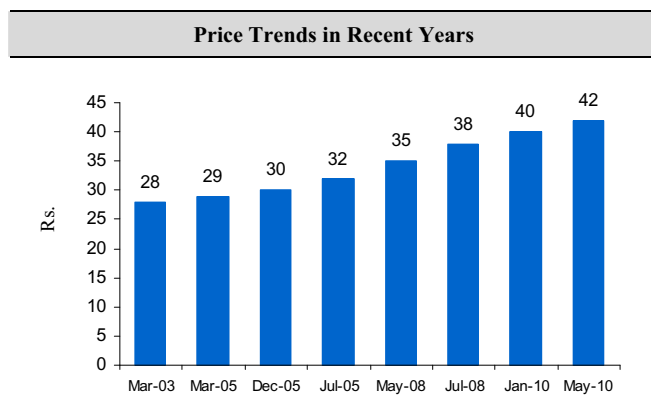
Almond Drops is produced at our facilities in Parwanoo and Dehradun as well as the newly commissioned facility at Paonta Sahib. In addition, Almond Drops is produced at our third-party manufacturer in Parwanoo.

Almond Drops accounted for 92.4% of our net sales and 93.0% of our gross profit in the fiscal year ended March 31, 2010.

Data on the comparative price of different brands (as at May 2010) compared to BCL products and Almond Drops Hair Oil is set out in the table below:

Category	Company	Maximum Retail Price for 100ml (Rs.)	Index to Coconut Oil Brand Price (%)
Amla Hair Oil (Amla Oil)	Competitor 4	34	162
Amla Hair Oil (mustard oil blend)	Competitor 4	26	124
Amla Hair Oil	Competitor 2	20	95
Brahmi Amla	Bajaj	34	162
Amla Shikakai	Bajaj	23	110
Almond Drops	Bajaj	42	200
Light Hair Oil	Competitor 1	33	157
Light Hair Oil	Competitor 2	35	167
Light Hair Oil	Competitor 3	30	143
Light Hair Oil	Competitor 4	32	152
Coconut Hair Oil	Competitor 2	21	100
Value added Coconut Hair Oil	Competitor 2	34	162
Value added Coconut Hair Oil	Competitor 2	29	138
Cooling Hair Oil	Competitor 5	44	210
Cooling Hair Oil	Competitor 6	45	214

Price trends are indicative of our ability to command price in the market based on our premium positioning. Data on indicative price trends for 100ml of Almond Drops Hair Oil is set out in the chart below:



Brahmi Amla Hair Oil

Brahmi Amla was first produced by BSL in 1953, and we believe it is one of the most well known and trusted brands of hair oil in India. This traditional herbal oil combines the calming effects of Brahmi with the healthy characteristics of Amla, a fruit with a high concentration of Vitamin C. Brahmi has traditionally been used in Ayurveda for its calming qualities as well as a natural herbal memory enhancer. Brahmi Amla has a naturally sweet fragrance. Traditionally it has been believed that the active ingredients of this hair oil stimulate hair growth by strengthening the hair roots and slowing hair loss.

Brahmi Amla serves a niche market and is one of the well-known Amla brands. We package Brahmi Amla in plastic bottling that comes in 400 ml, 300 ml, 200 ml, 100 ml and 50 ml sizes as well as the 3 ml sachet. Brahmi Amla is distributed through the same network as Almond Drops and can be found at more than 296,000 retail outlets across India.

Brahmi Amla is produced exclusively at one of our contracted third-party manufacturer's facilities in Parwanoo. Brahmi Amla accounted for 4.7% of our net sales and 4.8% of our gross profit in the fiscal year ended March 31, 2010.

Amla Shikakai Hair Oil

The Amla Shikakai brand was launched in 2006 to provide a high quality hair oil to cost conscious consumers. With this launch, we sought to leverage the brand strength of the existing 'Amla' hair oil product. This new product immediately established itself in the low price hair oil segment by offering Indian consumers, many of whom were using unbranded products, a branded product with high quality ingredients at a price they could afford.

Shikakai means "fruit for hair" and has been traditionally used by Indians as shampoos. Shikakai is made from acacia concinna, a shrub that is native to the plains of Central and Southern India. This plant is traditionally believed to reduce dandruff. With our Amla Shikakai hair oil, we seek to build on that reputation by not only reducing dandruff but also leaving users with hair that is soft and smooth. The natural qualities of Amla strengthen hair and help it to maintain a healthy black shine.

Amla Shikakai is available at more than 176,000 retail outlets across India and is sold in convenient bottle sizes of 200 ml, 100 ml and 50ml.

This brand is produced at our facility in Parwanoo. Amla Shikakai accounted for 1.7% of our net sales and 1.3% of our gross profit in the fiscal year ended March 31, 2010.

Other Products

In addition to the hair oils discussed above, we also produce a fragrant hair oil under the brand name "Jasmine" as well as an oral care product under the brand name "Black Tooth Powder". Jasmine hair oil is a unique brand that contains a long-lasting fragrance of jasmine, a culturally significant flower in India. Black Tooth Powder is a tooth cleaning product that is generally consumed by cost conscious consumers who live in rural areas and who have not begun using toothpaste for their oral care needs.

Jasmine hair oil and Black Tooth Powder are produced at our contracted third-party facilities in Parwanoo and Udaipur, respectively.

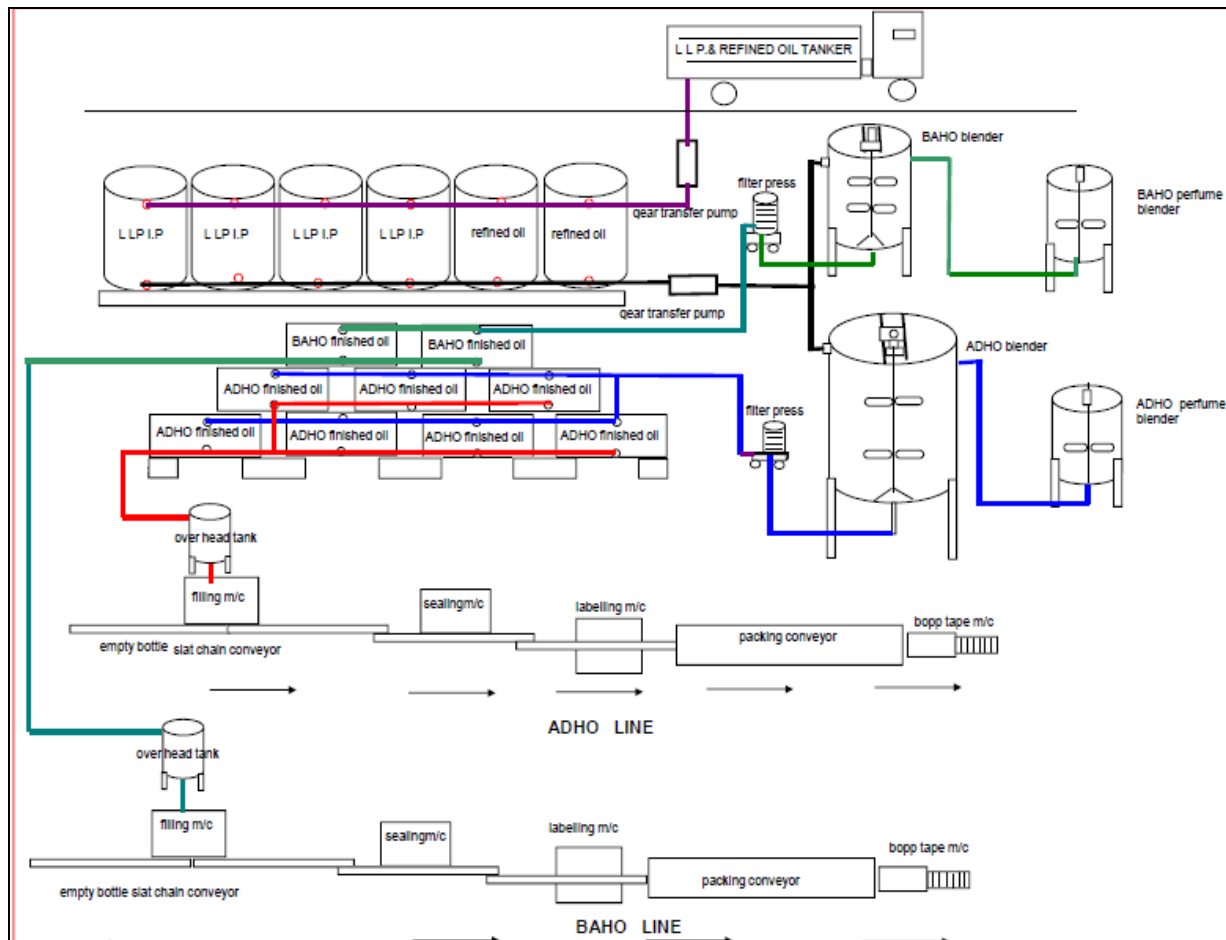
Production Process

Hair Oil

Hair oil is made from a combination of LLP, vegetable oil (refined mustard oil or ground nut oil), perfumes and, in the case of Almond Drops, sweet almond oil and Vitamin E supplements. The technology for formulating these oils is developed in-house and is exclusive to us. We receive raw materials, principally LLP and vegetable oil, in tankers from our domestic suppliers which we store in mild steel tanks. From the mild steel tanks, the vegetable oil and LLP are transferred to blenders in a fixed proportion. Simultaneously, a compound of perfumes is prepared in a separate blender. After blending the perfume compound, it is mixed with LLP and vegetable oil for final blending. After stirring, final blended oil is passed through the filter press for filtration. The filter press helps to remove the impurities contained in the mixture, if any. Filtered oil is then stored in finished oil tanks. From the finished oil tanks, the product is transferred to overhead tanks for bottling. Thereafter, the bottles are filled through an automatic filling machine and are then sealed and labelled and are ready for final inspection. After final inspection, bottles are packed in corrugated boxes for delivery.

Our hair oil manufacturing process is shown in the manufacturing flow chart below:

MANUFACTURING FLOW CHART



Note: "BAHO" refers to Bajaj Amla Shikakai Hair Oil. "ADHO" refers to Almond Drops Hair Oil.

Manufacturing Facilities

Company Operated

We operate three production facilities located at (i) Parwanoo, Himachal Pradesh and (ii) Dehradun, Uttarakhand and (iii) Paonta Sahib (Himachal Pradesh).

All of our manufacturing facilities are located in tax free zones. For our Parwanoo Unit we are exempt from paying excise duties for a period of 10 years from fiscal year ended March 31, 2009 and income tax for a period of five years from fiscal year ended March 31, 2009. For our Dehradun and Paonta Sahib Units we are exempt from paying excise duties for a period of 10 years from fiscal year ended March 31, 2010 and income tax for a period of five years from fiscal year ended March 31, 2010. After the income tax free period, we will be taxed at a concessional rate for the following five years. For more information on the tax benefits afforded to our facilities, see the section titled "Statement of Tax Benefits" beginning on page 66 of this RHP.

We adhere to a strict system of quality control over our production operations. Our production processes are subject to extensive government regulation, see the section titled "Regulations and Policies in India" beginning on page 99 of this RHP. We are also obliged by our Trademark License Agreement with BCCL to adhere to their quality control standards, which are, in a number of respects, more stringent than the comparable government regulations. Our quality control procedures encompass standards for procuring and storing raw materials, water treatment and sewage, processing and inventory storage. We have dedicated plant quality assurance teams that help to ensure that we maintain the desired quality levels for both input materials and finished products. These teams are responsible for sampling and testing our products, performing regular inspections and audits to test compliance with our standards. These teams are assisted by our continued investment in new and innovative technologies.

The following chart sets out actual production and estimated capacity utilisation for our facilities over the relevant time periods:

Location	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
Parwanoo (leased)		
-Production (millions of litres)	5.4	7.5
-Capacity Utilisation	23.0%	33.1%
Dehradun		
-Production (millions of litres)	N/A	2.0
-Capacity Utilisation	N/A	11.8%
Paonta Sahib		
-Production (millions of litres)	N/A	0.0*
-Capacity Utilisation	N/A	0.0%
TOTAL PRODUCTION	5.4	9.5

*Commercial production commenced on March 30, 2010.

Parwanoo Facility

The manufacturing facility at Parwanoo, Himachal Pradesh was completed in May 2008 and operations began in June 2008. The facility produces our Almond Drops and Amla Shikakai products. The facility has a built-up area of approximately 20,000 square feet, and employs 26 permanent employees who operate the machinery and six supervisory and our quality control staff members. In addition, we hire temporary employees to work on the production line based on production requirements. We lease the land and building from local landowners. The current lease agreement dated April 15, 2008 has been renewed for a period of three years from April 15, 2010 to April 14, 2013 and may be further renewed upon mutual consent of the parties. All of the machinery at the facility is owned by us and power for the facility is sourced from the Himachal Pradesh State Electricity Board at rates set by the local government. We are contractually required to pay for a minimum amount of electricity at this facility, which is currently set at 150 KW. The Parwanoo facility has two production halls with five Almond Drops bottling lines consisting of filling, sealing, capping and labelling machines to fill 135 bottles per minute in 200 ml, 100 ml, 75 ml, and 50 ml sized bottles. There is also a dedicated pouch filling machine that produces 350 of the 3 ml sachets per minute. There is also one filling line for the Amla Shikakai hair oil. In addition, this facility allows us to store 20,000 cases of finished product on-site, or three days worth of production.

In the fiscal year ended March 31, 2010, this facility produced 67.4% of our total hair oil production.

Dehradun Facility

The manufacturing facility at Dehradun, Uttarakhand was built in May 2009 at a cost of Rs.24.1 million and operations began there in May 2009. This facility produces Almond Drops hair oil. The facility has a built-up area of approximately 15,000 square feet. We employ only temporary workers at this facility to operate the machinery as well as four supervisory and quality control staff members. We own the land, building and machinery at this facility. Power is sourced from the Uttarakhand Power Corporation Ltd at rates set by the local government. We are contractually required to pay for a minimum amount of electricity at this facility, which is currently set at 75 KW. The Dehradun facility has one production hall with four Almond Drop lines, allowing us to fill 135 bottles of hair oil per minute. The lines are interchangeable and can fill all bottle sizes, except for the 3 ml sachets which have a dedicated pouch filling station that produces 350 sachets per minute. We are able to store 50,000 cases of finished product, or 12 days of production.

In the fiscal year ended March 31, 2010, this facility produced 19.2% of our total Almond Drops hair oil production.

Paonta Sahib Facility

Construction of our newest and most advanced manufacturing facility at Paonta Sahib, Himachal Pradesh, was completed at a total cost of Rs 79.0 million and commenced commercial production in March 2010. The facility has a built-up area of approximately 37,000 square feet and employs seven supervisory and quality control staff members. In addition, we employ temporary workers at this facility to work on the production line. We own the land, building and machinery at Paonta Sahib. Power at this facility is sourced from the Himachal Pradesh State Electricity at rates set by the local government. We are contractually required to pay for a minimum amount of electricity at this facility, which is currently set at 150 KW. This facility has six bottling lines. The new machines purchased for this facility run at higher operating speeds, allowing one of the six lines to fill up to 240 bottles per minute. In addition, the storage facilities at Paonta Sahib allow us to store 100,000 cases of finished product, which is equivalent to 11 days of production.

Third-Party Operated

In addition to the company operated facilities, we also contract some of our production capabilities to third-party manufacturers in Parwanoo and Udaipur. Our third-party manufacturers produce branded products according to our specifications, while we oversee quality control at both of these facilities. The agreements provide for us to purchase the product from the manufacturers, on a principal-to-principal basis, in such quantities and at such prices as shall be determined. The product is manufactured with the approved raw material composition and specification and approved packing material sourced from our approved suppliers. The agreements place the responsibility for raw material procurement on the third-party manufacturer. We purchase the finished goods at prices that are periodically revised by the parties based on fluctuations in the prices for raw materials and packaging. Our third-party manufacturer agreements are terminable upon advance written notice in accordance with the terms of each agreement. The agreements are on a non-exclusive basis and we are entitled to manufacture and buy products or any similar goods from other parties, and to sell the products to any person in any territory in any manner and at any price.

Our third-party manufacturer in Parwanoo is located in a tax-free zone. As such, they are exempt from paying excise duties for a period of 10 years from fiscal year ended March 31, 2003.

The following chart sets out actual production and estimated capacity utilisation for our third-party manufacturers' facilities over the relevant time periods:

Location	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
Parwanoo		
-Production (millions of litres)	2.8	1.7
-Capacity Utilisation	30.0%	18.0%
Udaipur		
-Production (millions of litres)	0.6	0.0
-Capacity Utilisation	9.0%	N/A
TOTAL PRODUCTION	3.5	1.7

Parwanoo Third-Party Facility

The third-party manufacturing facility at Parwanoo, Himachal Pradesh began operations in April 2008. The facility produces our Almond Drops, Brahmi Amla and Jasmine hair oil products. The facility has a built-up area of approximately 6,500 square feet, and employs 32 people. Power is sourced from the Himachal State Electricity Board at rates set by the local government and paid for by the third-party manufacturer. This facility has one production hall with four bottling lines, two for Almond Drops and one each for Brahmi Amla and Jasmine hair oil. The Almond Drops and Brahmi Amla bottling lines allow our third-party manufacturer to produce 80 and 120 bottles of hair oil per minute, respectively. The lines are interchangeable and can produce all bottle sizes, except for the 3 ml sachets which have a dedicated pouch filling station that produces 350 sachets per minute.

In the fiscal year ended March 31, 2010, this facility produced 15.2% of our total hair oil production.

Udaipur Third-Party Facility

The third-party manufacturing facility at Udaipur, Rajasthan was completed in 1988 and its operations began with us in May 2008. The facility produces our Black Tooth Powder oral care product. The facility has a built-up area of approximately 20,000 square feet, and employs 17 people. Power is sourced from Ajmer Vidhyut Vitran Nigam Ltd at rates set by the local government and paid for by the third-party manufacturer. This facility has two production halls with two manufacturing lines, producing 25 bottles of tooth powder per minute.

Properties

The details of the premises owned by our Company or from where we conduct our business and operations are encapsulated below:

Sr. No.	Nature and location of premises
1.	Registered Office: 2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai – 400 093
2.	Corporate Office: Old Station Road, Udaipur – 313 001.
3	Factory: Khasara No 434, Opp ESI Hospital, Sector-1, Parwanoo, Tehsil Kasauli, Dist-Solan, Himachal Pradesh
4	Factory: Industrial Khasara No. 122/13, Selaquin Ind. Area, Dehradun, Uttarakhand
5	Factory: Village Batamandi, Tehsil Paonta Sahib, District Sirmore, Himachal Pradesh
6.	Residential Flat: Flat No: 401-402 A Wing, 4th Floor Poseidom, Opp. Wild Park Off Yari Road, Versova, Mumbai.

For risks in relation to the properties please see the section titled “**Risk Factors**” beginning on page 9 of this RHP.

Environmental Matters

We are subject to various national, state and municipal environmental laws and regulations in India, in respect of land use. Our operations are also subject to inspections by government officials with regard to various environmental issues. Except as disclosed in this RHP, we are in compliance in all material respects with applicable environmental laws and regulations in India. Compliance with such environmental laws and regulations has not had, and in our opinion, is not expected to have, a material adverse effect upon our operations, expenditures, earnings or competitive position. We are not aware of any governmental proceeding or investigations in relation to applicable environmental laws and regulations to which we are or might become a party and which may have a material adverse effect on our properties and operations.

Raw Materials

Our principal raw materials comprise of petroleum-based liquid light paraffin ("LLP"), vegetable oil (refined mustard oil and ground nut oil), other active ingredients and perfumes. We also procure and use all packaging material such as glass and PET bottles, plastic caps, labels, corrugated boxes, and sachets in the packing process. All of our raw materials are procured from the domestic market and are purchased in Indian Rupees. We source our LLP requirements primarily from local processors who import their crude oil requirements from South Korea and the United States. We experienced significant volatility in our LLP costs in the fiscal year ended March 31, 2009 due to wide fluctuations in global crude oil prices. With the recent stabilization of crude oil prices, we have seen our main raw material costs stabilize. We believe that by entering into futures contracts for our LLP requirements, we have somewhat mitigated the risk of volatile commodity prices as well as adverse currency fluctuations. LLP supply contracts are typically three to nine months in duration while vegetable and mustard oils, Vitamin E and almond extract are all purchased on a monthly basis at spot prices. Over the years we have ensured that there is improvement in the yield and quality of our products through alteration and substitution of raw materials. In the past we have altered our raw material usages and substituted our inputs thereby improving the product yield and quality. With growing volatility in the price of our raw materials our management continuously strives to ensure efficient raw material management which will in turn lead to higher profitability and sustainable growth.

Raw materials comprised 40.80% of our total costs for the fiscal year ended March 31, 2010 and 33.6% of our total costs for the year ended March 31, 2009.

We purchase the glass bottles required for our Almond Drops products from one of India's largest glass producers based in Haryana. Other packaging material such as PET bottles, plastic caps, labels, corrugated boxes and sachets are purchased on a monthly basis at spot prices. As a cost saving strategy, we procure these packaging materials from vendors in non-excise tax areas, such as Dehradun and Baddi.

Marketing and Sales

The FMCG industry is a brand-centric industry and we believe that our ability to build and sustain the equity of our brands is one of our key competitive advantages. During calendar year 2009, the FMCG industry in India continued to grow at a strong rate of more than 18%, according to Nielsen Retail Audit Report. As a direct result of our marketing efforts, the Almond Drops brand occupies one of the highest position in terms of brand awareness in the light hair oil market.

We continuously make investments in advertising and sales promotions. Our primary method of advertising is television, but we also advertise in the printed press as well, both newspapers and magazines. To a lesser extent, we also use other media outlets such as radio, outdoor displays and the Internet to communicate with our consumers. The primary aim of our promotion campaigns is to build brand awareness and achieve "Top of Mind" recall for our brands in the minds of Indian consumers. During fiscal year ended March 31, 2010, our advertising and promotion expenditures were Rs. 373.2 million, or 16.0% of our total expenses. We coordinate advertising campaigns with in-store promotional and other marketing activities. We have recently launched a pan-India advertising campaign for our Almond Drops brand with Ms. Lara Dutta to promote Almond Drops as a brand synonymous with "style", "nutrition", "modernity" and "value for money". We also conduct several on the ground activities such as van promotions, window displays, retail schemes and stockist incentives.

One of the keys to any successful FMCG brand in India is its sales force. Our in-house sales team consists of 237 direct sales personnel as of March 31, 2010. Our direct sales force sells our products across India and is compensated primarily by a fixed remuneration coupled with cash incentives based on performance. In addition to our in-house direct sales force, our products are also sold through approximately 600 distributor sales personnel. These sales personnel are employees of our distributors and sell our products exclusively. We provide both initial and ongoing training to the distributor sales personnel and have direct control over their sales incentives. We aim to incentivize and subsidize our distributors to reach their targeted return on investment. We accomplish this by working with each individual distributor to set a return on

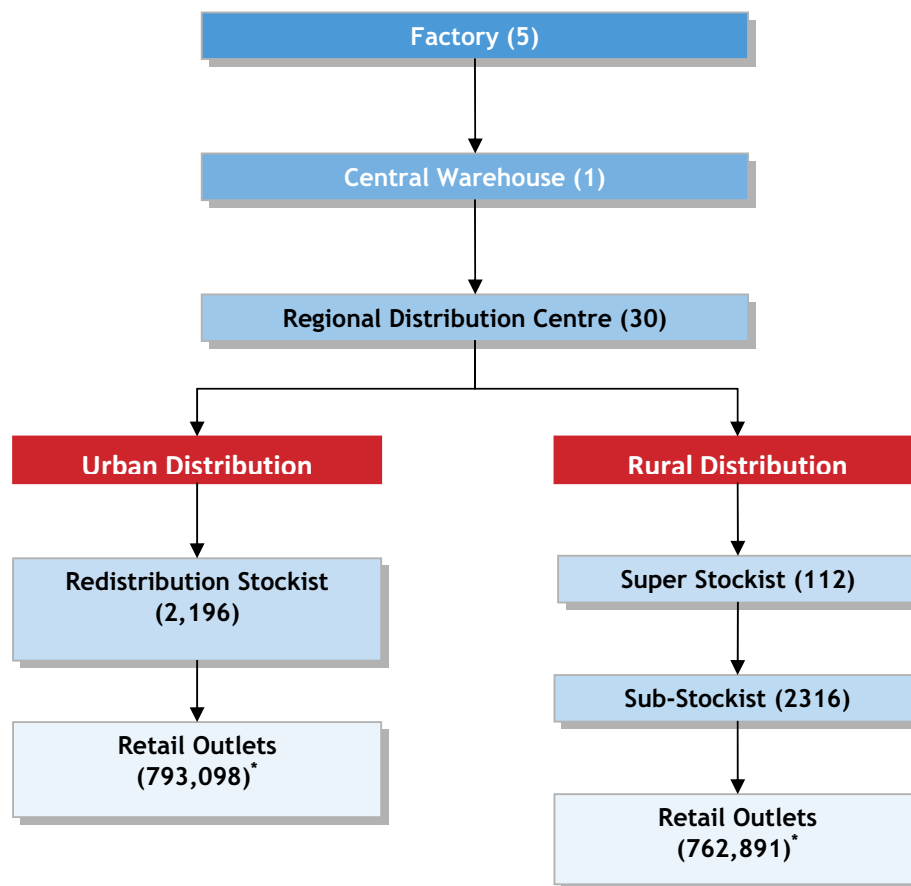
investment target that is appropriate given their location, size and experience. We have increased our sales force over the last three fiscal years as we expand our sales efforts, particularly in the rural areas of the country, from 551 in the fiscal year ended March 31, 2008 to 843 by March 31, 2010. This sales force includes both those employed by us as well as those distributing the brands we sell in retail outlets. We intend to continue to increase the size of our sales force, particularly the distributor sales personnel, during the next two fiscal years until we achieve our desired distribution reach.

Distribution

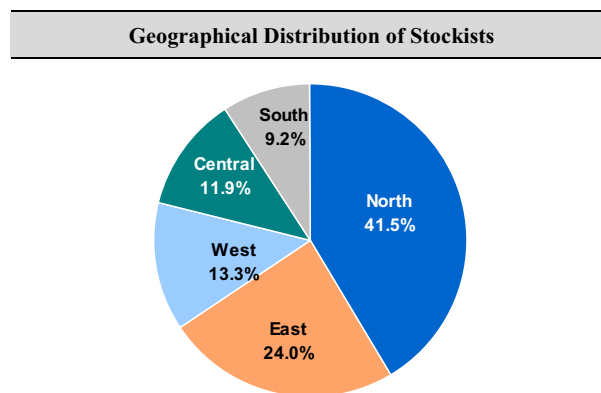
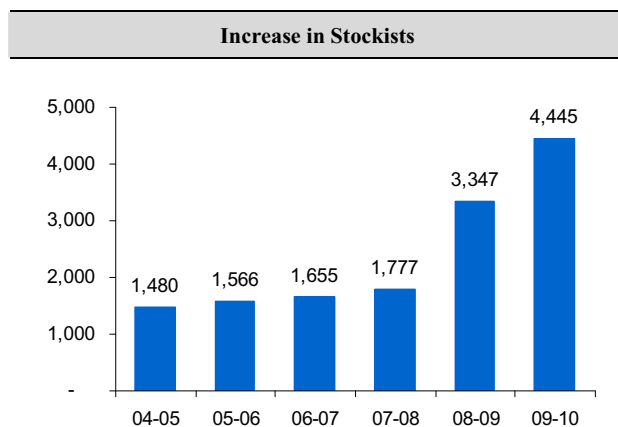
We believe we have been able to establish a strong distribution network in India over the last several years. We use both an urban and rural distribution model. As of December 31, 2009, we have built a wide reaching distribution network extending to more than 1.56 million outlets from more than 4,600 stockists for urban and rural direct distribution and more than 8,900 wholesalers for indirect distribution. Stockists are selected after an extensive due diligence process whereby we evaluate each individual candidate by speaking with their customers, employees and other relevant parties. We are currently in the process of increasing our stockists.

Finished goods manufactured at our Himachal Pradesh manufacturing facility are trucked to our central warehouse facility at Zirakpur, Punjab. From there, full truck loads of our products are sent to various regional distribution centres located across India. Title to the finished products is then passed to our "Redistribution Stockists" (urban distribution) and "Super Stockists" (rural distribution). These stockists are our distributors and they employ the indirect sales personnel that are critical to our sales. Stockists then sell our products directly to retail outlets (urban distribution) or to local sub-stockists for on-selling to retail outlets (rural distribution). Finished goods manufactured at our Dehradun facility are dispatched directly to our regional distribution centres without first being stored at our central warehouse.

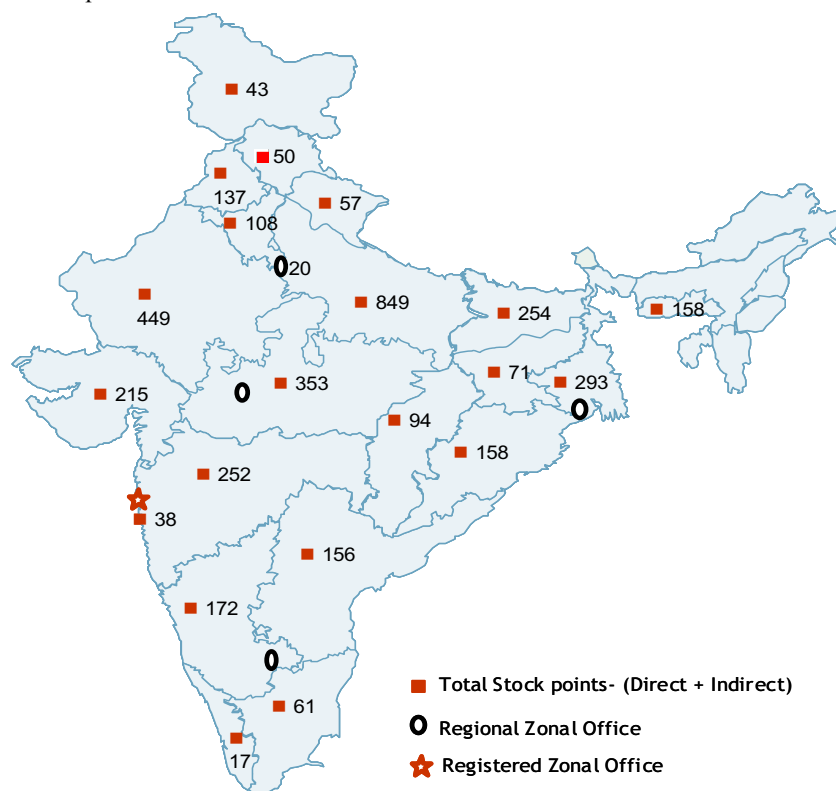
The flow charts below illustrate our distribution processes for both our urban and rural distribution as of March 31, 2010:



* as on April 30, 2010



The map below shows the locations of our stockists in India:



India has in the recent past witnessed the emergence of new supermarket and hypermarket chains. Our products are currently sold by all major national and international supermarket and hypermarket chains such as: BhartiWalmart, Metro Cash and Carry, Reliance Retail, Big Bazaar and Food Bazaar, D-Mart, Haryali, Shoprite and Spencers . While the current share of our revenues through these chains is not significant, it is expected that this may rise in the near future, most notably in the larger cities. In general, the trade margins and discounts expected by these chains are higher than traditional retail outlets. However, new supermarket and hypermarket chains generally provide an opportunity for better merchandising and visibility as well as cost savings through direct sales rather than through intermediaries and rationalization of packaging. We have a dedicated team of key account executives to cater to this new emerging distribution channel. These executives handle the distribution to supermarket and hypermarket chains through a group of dedicated distributors who handle only this form of alternative distribution.

Research and Development

Our research and development team is based at Parwanoo and Dehradun and is currently focused primarily on quality assurance and improving our existing product portfolio. We have employees on the research and development team which comprise specialists in the technologies critical to our various product categories, as well as a team that promotes inter-departmental, cross-functional research on a wide range of technologies. In connection with the implementation of our growth plans, we intend to open a research and development facility at the new manufacturing plant in Paonta Sahib. We plan to hire new research and development personnel at this facility and expand our focus to include new product development.

As of March 31, 2010, we employed eleven people in our research and development activities, including specialists in chemical analysis and manufacturing processes.

Competition

The FMCG business is highly competitive. The hair oil market, in particular, consists of well-entrenched brands which have built up their brand equity over a period of decades. Barriers to new entrants are intense and require a significant amount of marketing expenditure to develop any new brand. We believe brand recognition is the primary factor affecting our competitive position. If the reputation of the brands we sell were to be damaged, it could significantly reduce our competitiveness. In addition, we also compete against unbranded products, especially in the rural market which we are targeting for our future growth. We believe we compete primarily on the basis of the following factors:

- maintaining favorable brand recognition;
- developing quality products with innovative performance features and packaging;
- educating consumers on our product benefits;
- anticipating and responding to changing consumer demands in a timely manner,
- including the timing of new product introductions;
- offering attractively priced products;
- maintaining an effective sales force; and
- obtaining sufficient retail floor space, optimal in-store positioning and effective presentation of our products at retail.

The principal competitors for our various brands are contained in the table below:

Product	Principal Competition	Others
Almond Drops	Keo Karpin (Deys Medical)	Hair & Care (Marico), Clinic All Clear (HUL)
Brahmi Amla	Dabur Amla (Dabur)	Dabur Sarson Anmol (Dabur)
Amla Shikakai	Shanti Badam Hair Oil (Marico)	

Intellectual Property

We do not own any of the brand trademarks that we market our products under. These trademarks were licensed to us from BCCL for a period of 10 years from March 12, 2008 and was subsequently amended by two amendment agreements. Currently under the terms of the Trademark License Agreement, we are granted an exclusive license to use, manufacture, advertise, distribute and sell these trademarks worldwide for a period of 99 years, extendable by another 10 years. Under the terms of the Trademark License Agreement, our Promoter shall not manufacture the products developed, manufactured and marketed by us or any other products similar to those manufactured, developed and marketed by us during the pendency of the Trademark License Agreement. The consideration paid to BCCL for the use of these trademarks is in the form of an annual royalty payment at the rate of 1% of net sales of all goods sold by us. BCCL retains certain quality control rights in respect of their brands and we have agreed to observe all reasonable directions given to us by BCCL as to the color, size, type and other methods of presentation of the trademarks. The Trademark License Agreement is subject to early termination by BCCL in the event that (i) all or substantially all of our assets are seized, (ii) we come under government control, (iii) we undergo a change in management or ownership, or (iv) we are denied licenses necessary to the operation of our business. In the event BCCL decides to sell any of its trademarks, we have a right of first refusal to purchase such trademark. For significant terms and conditions of the Trademark License Agreement please refer to the section titled “History and Certain Corporate Matters” beginning on page 105 of this RHP.

The table below summarizes the current trademark registration status as well as pending applications for the brands we sell:

Licensed Registered Trademarks

Product	Registration Number	Date of Application	Class	Status
Bajaj Amla Hair Oil (label mark)	989679	February 12, 2001	3	Registered & valid till February 12, 2011
Bajaj Amla (label mark)	989680	February 12, 2001	3	Registered & valid till February 12, 2011
Bajaj (Hindi) logo	1583988	July 25, 2007	3	Registered & valid till July 25, 2011
Bajaj (English) logo	1583987	July 25, 2007	3	Registered & valid till July 25, 2011

Licensed Unregistered Trademarks

Product	Registration No	Date of Application	Class	Status
Bajaj Kala Dant Manjan	1560097	May 21, 2007	3	Pending Registration
Bajaj Almond drops (label mark)	1560098	May 21, 2007	3	Pending Registration
Bajaj Amla Shikakai	1560099	May 21, 2007	3	Pending Registration
New Bajaj Brahmi Amla	1560100	May 21, 2007	3	Pending Registration
Bajaj Red Tooth Powder	1560101	May 21, 2007	3	Pending Registration

Information Technology

Our business demands quick and informed decision making. Therefore, in order to increase responsiveness and efficiency we will continue to emphasize the adoption of upgraded technology.

We have invested in a MIS infrastructure to help us manage our demand and supply planning. Systems have been implemented to ensure that most activities follow standard operating procedure, allowing for our various sales offices and distribution centres to be well connected across 21 states. Our sales team, including both company-employed and distributor-employed sales personnel, are responsible for entering real-time sales data into the system. This data helps generate monthly MIS reports that are reviewed by all levels of our organization, including our chairman. These reports help to ensure that all aspects of our business, including finance, sales, distribution, logistics and human resources are all linked and continuously updated. The MIS software was developed by M/s Brain Power Solutions and is supported by them on day-to-day basis.

Insurance

We maintain insurance for a variety of risks, including, among others, for risks relating to fire, burglary and certain other losses and damage to buildings, plants, machinery (including marine cargo insurance for new purchases), inventory and office equipment and loss or damage of incoming and outgoing materials and finished goods by water, road and railway. In addition, we carry accident and medical insurance for our Indian operations.

SR. NO.	PARTICULARS	POLICY NO.	POLICY PERIOD	SUM INSURED (Rs. millions)	PREMIUM AMOUNT (Rs. millions)
	The Oriental Insurance Company Ltd.				
17.	FINISHED GOODS (Inter Depot transfer & Direct supply by vendors)	124500/21/2010/240	03/09/2009 to 02/09/2010	1,500.000	0.745
18.	RAW & PACKING MATERIAL (Transit Insurance for Parwanoo & Dehradun)	124500/21/2010/241	03/09/2009 to 02/09/2010	450.000	0.223
19.	GROUP PERSONAL ACCIDENT POLICY	124500/48/2010/1263	18/08/2009 to 02/07/2010	23.020	0.032
20.	MARINE CARGO OPEN POLICY	124500/21/2010/448	17/12/2009	28.000	0.021

SR. NO.	PARTICULARS	POLICY NO.	POLICY PERIOD	SUM INSURED (Rs. millions)	PREMIUM AMOUNT (Rs. millions)
	(Transit Insurance for Nepal)		to 16/12/2010		
21.	MARINE OPEN (FOB) POLICY (Transit Insurance for Export goods)	124500/21/2010/504	27/01/2010 to 26/01/2011	10.000	0.008
	United India Insurance Company Ltd.				
22.	MARINE CARGO OPEN POLICY (For New Machines-Paonta Sahib)	141600/21/09/02/00000109	05/11/2009 to 04/11/2010	10.000	0.005
	Iffco Tokio General Insurance Company Ltd.				
23.	STANDARD FIRE AND SPECIAL PERILS (Parwanoo-Building, F&F, Raw & Packing Material, Finished Products)	11373542	30/06/2009 to 29/06/2010	15.900	0.020
24.	STANDARD FIRE AND SPECIAL PERILS (Dehradun- Building, F&F, Raw & Packing Material, Finished Products)	11420657	29/01/2010 to 28/01/2011	48.170	0.074
25.	STANDARD FIRE AND SPECIAL PERILS (Paonta Sahib- Building, F&F, Raw & Packing Material, Finished Products)	11433133	22/03/2010 to 21/03/2011	93.180	0.144
26.	MONEY INSURANCE POLICY FIDELITY-FLOATING	45022127	30/06/2009 to 29/06/2010	0.500	0.003
27.	STANDARD FIRE AND SPECIAL PERILS (Finished Goods Stock at Depots)	11443862	06/05/2010 to 05/05/2011	58.400	.083
28.	BURGLARY BP (Finished Goods Stock at Depots)	44100478	06/05/2010 to 05/05/2011	58.400	0.026
29.	STANDARD FIRE AND SPECIAL PERILS (Plant & Machinery-Parwanoo)	11443862	06/05/2010 to 05/05/2011	13.000	0.017
30.	VEHICLE INSURANCE TOYOTA INNOVA (New)	70786507	14/10/2009 to 13/10/2010	1.275	0.037
31.	VEHICLE INSURANCE MH-02-JP-6921 (SONATA EMBERA)	1-9AW1WX	16/04/2010 to 15/04/2011	0.980	0.023
	Bajaj Allianz General Insurance Co. Ltd.				
32.	VEHICLE INSURANCE MH-02-JP-7101 (HONDA CIVIC)	OG-10-1901-1801-00040503	07/04/2010 to 06/04/2011	0.869	0.018

Human Resources

We are a professionally managed company that has sought to build for itself a stimulating work culture that empowers people, promotes team building, encourages new ideas and motivates performance. We believe in meritocracy and this policy commences with hiring individuals with the right expertise and experience while ensuring that progress in the organisation is not dependent solely on tenure. In a business where the cost of quality lapses could be significant, we have remained focused on recruiting the right people, providing them with adequate training and encouraging retention through job satisfaction and compensation schemes.

We place significant emphasis on training our personnel, especially our sales staff, to increase their skill levels, ensure consistent application of our procedures and to instill an appreciation of our corporate values. We facilitate in-house

training for the company-employed and distributor-employed sales staff both prior to the commencement of their employment as well as ongoing training.

As of March 31, 2010 we had more than 400 employees in India. These employees include senior managers, Deputy General Managers (DGMs), other managers, officers, other staff, permanent factory workers and temporary factory workers. Workers comprise approximately 35.9% of our employee strength, 86.0% of which are temporary workers. We believe that our relations with our employees are good. We have not experienced any work stoppages due to labour disputes.

The following table provides a breakdown of permanent employee headcount, divided by function, as of March 31, 2010:

Total No. of Employees	Senior Managers	DGMs	Other Managers	Officers	Other Staff	Permanent Factory Workers	Temporary Factory Workers
437	5	3	62	86	124	22	135

REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from the various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the Bidders and are neither designed nor intended to substitute for professional legal advice.

ENVIRONMENTAL AND LABOUR REGULATIONS

Depending upon the nature of the activity undertaken by us, applicable environmental and labour laws and regulations include the following:

- The Environment (Protection) Act, 1986;
- The Water (Prevention and Control of Pollution) Act, 1974;
- The Water (Prevention and Control of Pollution) Cess Act, 1977;
- The Air (Prevention and Control of Pollution) Act, 1981;
- The Hazardous Wastes (Management and Handling) Rules, 1989;
- The Factories Act, 1948;
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees' State Insurance Act, 1948;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Industrial Disputes Act, 1947;
- The Payment of Wages Act, 1936;
- The Workmen's Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Bonus Act, 1965;
- The Payment of Gratuity Act, 1972;
- The Industrial Employment (Standing Orders) Act, 1946; and
- The Shop and Establishment Acts

ENVIRONMENTAL LAWS

Our business is subject to environment laws and regulations. The applicability of these laws and regulations varies from operation to operation and is also dependent on the jurisdiction in which we operate. Compliance with relevant environmental laws is the responsibility of the occupier or operator of the facilities. Major environmental laws applicable to our operations include:

The Environment (Protection) Act, 1986 (the "EPA")

The EPA is an umbrella legislation in respect of the various environmental protection laws in India. The EPA vests the Government of India with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for inter alia, laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to Rs.100, 000 or imprisonment of up to five years, or both.

There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of Government analysts.

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

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is

empowered to establish standards and conditions that are required to be complied with. In certain cases the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Central Pollution Control Board has powers, *inter alia*, to specify and modify standards for streams and wells, while the State Pollution Control Boards have powers, *inter alia*, to inspect any sewage or trade effluents, and to review plans, specifications or other data relating to plants set up for treatment of water, to evolve efficient methods of disposal of sewage and trade effluents on land, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry likely to pollute a stream or a well, to specify standards for treatment of sewage and trade effluents, to specify effluent standards to be complied with by persons while causing discharge of sewage, to obtain information from any industry and to take emergency measures in case of pollution of any stream or well.

A central water laboratory and a state water laboratory have been established under the Water Act.

The Water (Prevention and Control of Pollution) Cess Act, 1977 (the “Water Cess Act”)

The Water Cess Act provides for levy and collection of a cess on water consumed by industries with a view to augment the resources of the Central and State Pollution Control Boards constituted under the Water Act. Under this statute, every person carrying on any industry is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to those persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA. For the purpose of recording the water consumption, every industry is required to affix meters as prescribed. Penalties for non-compliance with the obligation to furnish a return and evasion of cess include imprisonment of any person for a period up to six months or a fine of Rs.1,000 or both and penalty for non payment of cess within a specified time includes an amount not exceeding the amount of cess which is in arrears.

The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the provisions of the Air Act include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. If an area is declared by the State Government to be an air pollution control area, then, no industrial plant may be operated in that area without the prior consent of the State Pollution Control Board.

Under the Air Act, the Central Pollution Control Board has powers, *inter alia*, to specify standards for quality of air, while the State Pollution Control Boards have powers, *inter alia*, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

The Hazardous Wastes (Management and Handling) Rules, 1989 (the “Hazardous Wastes Rules”)

The Hazardous Wastes Rules aim to regulate the proper collection, reception, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose such waste without adverse effect on the environment, including through the proper collection, treatment, storage and disposal of such waste. Every occupier and operator of a facility generating hazardous waste must obtain an approval from the Pollution Control Board. The occupier, the transporter and the operator are liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste. The operator and the occupier of a facility are liable for any fine that may be levied by the respective State Pollution Control Boards. Penalty for the contravention of the provisions of the Hazardous Waste Rules includes imprisonment up to five years and imposition of fines as may be specified in the EPA or both.

LABOUR LAWS

The Factories Act, 1948, as amended (the “Factories Act”)

The Factories Act defines a ‘factory’ to be any premise which employs or employed on any day in the previous twelve months, ten or more workers and in which a manufacturing process is being carried on with the aid of power or any premises where there are or were in the previous twelve months, at least twenty workers working even though there is no manufacturing process being carried on with the aid of power. State Governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions.

If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment for a term up to two years or with a fine up to Rs.100,000 or with both, and in case of contravention continuing after conviction, with a fine of up to Rs.1, 000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall not be less than Rs.25, 000 in the case of an accident causing death, and Rs.5,000 in the case of an accident causing serious bodily injury.

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (the “EPF Act”)

The EPF Act provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above.

The Employees State Insurance Act, 1948 (the “ESI Act”)

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

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA”)

The CLRA requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour.

The CLRA requires the principal employer of an establishment to which the CLRA applies to make an application to the registering officer in the prescribed manner for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, drinking water, washing facilities, first aid facilities, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

The Industrial Disputes Act, 1947 (the “ID Act”)

The ID Act was enacted to make provisions for investigation and settlement of industrial disputes, and for certain other purposes. It lays down provisions for constitution of the authorities, powers and duties of authorities, provisions relating to strikes and lock-outs, lay-off and retrenchment, special provisions relating to lay-off, retrenchment and closure in certain

establishments, unfair labour practices etc. The ID Act lays down different penalties for contravention of the various provisions of the Act.

The Payment of Wages Act, 1936 (the “Wages Act”)

The Wages Act was enacted to regulate the payment of wages of certain classes of employed persons which include persons employed in any factory. The Wages Act makes provisions for responsibility for payment of wages, fixation of wage periods, time for payment of wages, deductions which may be made from wages, procedures for application in respect of claims for unpaid wages, conditional attachment of the property of employer or other person responsible for payment of wages etc. It further lays down a pecuniary penalty for the first time offenders and habitual offenders.

The Workmen’s Compensation Act, 1923 (the “Compensation Act”)

The Workmen’s Compensation Act, 1923 provides for remedies where personal injury is caused to a workman or his death occurs, by accident during his employment. In such cases the Compensation Act makes employer of the said employee liable to pay compensation to him or in case of his death to his legal representatives. However, no compensation is required to be paid if the injury did not disable the workman for a period exceeding three days or if the workman was at the time of injury under the influence of drugs or alcohol, or if he willfully disobeyed safety rules or disregarded safety guards or other device which he knew to have been provided for securing the safety of workman.

The Minimum Wages Act, 1948

State governments may stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance; or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities; or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

Workmen are to be paid for overtime at overtime rates stipulated by the appropriate government. Contravention of the provisions of this legislation may result in imprisonment up to six months or a fine up to Rs.500 or both.

The Payment of Bonus Act, 1965, as amended (the “Bonus Act”)

Pursuant to the Bonus Act, an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year is eligible to be paid a bonus.

Contravention of the provisions of the Bonus Act by a company is punishable by imprisonment for up to six months or a fine of up to Rs.1, 000 or both, against persons in charge of, and responsible to the company for, the conduct of the business of the company at the time of contravention.

The Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)

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

An employee in a factory is said to be in ‘continuous service’ for a certain period notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee. The employee is also deemed to be in continuous service if the employee has worked (in an establishment that works for at least six days in a week) for at least 240 days in a period of 12 months or 120 days in a period of six months immediately preceding the date of reckoning.

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

The Standing Orders Act requires every industry in which one hundred or more workmen are employed and every industry wherein less than one hundred employees are employed which is notified by the government to submit standing orders, containing the conditions of employment in the industry, to a certifying officer. Such standing orders must include provisions dealing with various matters relating to employment, such as attendance and termination of employment, set out in Schedule I of the Standing Orders Act. Once submitted, the standing orders shall be certified by the certifying officer after hearing representations from the representatives of the workmen or trade union of the industry and the employer. The

certified standing orders must be posted in a prominent place in the establishment by the employer. The Standing Orders Act also lays down certain penalties for contravening the provisions of the Standing Orders Act.

Shops and Commercial Establishments Acts (the “SCE Acts”)

The SCE Acts regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. Each state has passed its own SCE Act to regulate conditions of work in the state. The SCE Act applies to local areas as notified by the government of each state and mandates registration of shops and establishments. The SCE Acts prohibit the employment of children and regulates the employment of young persons and women in shops and establishments. The SCE Acts also contains provisions dealing with payment of wages to employees and leave with pay. There are various regulations that need to be observed to ensure the health and safety of the employees. The SCE Act provides for penalties for the contravention of its various provisions and enhanced penalty in case of previous conviction.

PRODUCT RELATED LEGISLATION

The Standard of Weights and Measures Act, 1976 (the “Weights and Measures Act”)

The Weights and Measures Act aims at the establishment of the standards for weights and measures and regulation of established standards of weights and measures in relation to inter-state trade and commerce in weights, measures and other goods which are sold or distributed or delivered by weights, measures or number. The Weights and Measures Act stipulates that every unit of weight or measure shall be based on the units of the metric system and lays down requirements for the physical representation of standard units. The Weights and Measures Act provides to prescribe specification of measuring instruments used in commercial transaction, industrial production and measurement affecting public health and human safety. The Weights and Measures Act contains penal provisions for violating its provisions.

While the Weights and Measures Act is a central legislation, its enforcement lies with the state governments through the Standards of Weights and Measures (Enforcement) Act, 1985. The Weights and Measures Act also gives powers to inspectors to search, seize and forfeit non-standard weight or measures. The Packaged Commodities Rules, 1977 framed under the Weights and Measures Act contains provisions laying down the norms to be followed, in the interests of consumer safety, when commodities are sold or distributed or delivered or offered or displayed for sale, distribution or delivery, or stored for sale, or for distribution or delivery, in packaged form in the course of interstate trade or commerce.

Drugs and Cosmetic Act, 1940 (the “DCA Act”) and the Drugs and Cosmetic Rules, 1945 (the “DCA Rules”)

The sale, manufacture and distribution of cosmetics is governed by the DCA Act and DCA Rules. Cosmetics has been defined as any article intended to be rubbed, poured, sprinkled or sprayed on, or introduced into, or otherwise applied to, the human body on any part for cleansing, beautifying, promoting attractiveness, or altering the appearance, and includes any article intended for use as a component of a cosmetics.

Chapter IV of the DCA Act lays down provisions relating to the manufacture, sale and distribution of drugs and cosmetics. The DCA Act defines misbranded, spurious and adulterated cosmetics and prohibits the manufacture and sale of cosmetics which are not of standard quality, misbranded or spurious, or contains ingredient which may render it unsafe or harmful, etc. Further, the DCA Act lays down penalty for manufacture, sale, etc. of cosmetics in contravention of Chapter IV of the DCA Act.

The DCA Rules provide that no cosmetic shall be manufactured which contains dyes, colours and pigments other than those specified by the Bureau of Indian Standards and under the DCA Act. It also lays down specific rules pertaining to import of cosmetics, manufacture of cosmetic for sale or for distribution, labelling, packing of cosmetics and approval of institutions for carrying out tests on drugs, cosmetics and raw materials used in their manufacture.

Micro, Small and Medium Enterprises Development Act, 2006 (the “MSMED Act”)

The MSMED Act provides for facilitating the promotion, development and enhancing the competitiveness of micro, small and medium enterprises and for matters connected therewith or incidental thereto. It classifies the enterprises into micro, small and medium. It inter-alia provides for the constitution of the National Micro, Small and Medium Enterprises Board with a much wider and representative composition and wider function, replacement of the two-stage system of optional “registration” of the small scale industry by that of optional filing simplified “memoranda” by micro and small enterprises (“MSEs”), improving access of MSEs to credit, statutory backing for procurement preference policies in favour of the

micro, small and medium enterprises (“**MSMEs**”), simplification and harmonization of inspection procedures and requirement of maintaining registers and furnishing returns , as applicable to the MSMEs under specified labour laws, strengthening of provisions on relating to the problems of delayed payments to MSEs and widening the functions of the relevant dispute resolution mechanism with a view to providing quicker and more effective remedies to the MSEs in cases of disputes and simpler scheme for closure of business by the MSEs.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as ‘Bhaumik Agro Products Private Limited’ on April 25, 2006 under the Companies Act with the RoC, Maharashtra. The name of our Company was changed to ‘Bajaj Corp Private Limited’ pursuant to a special resolution of the shareholders’ of our Company dated July 18, 2007 and consequent to such change of name, a fresh certificate of incorporation dated September 11, 2007 was issued by the RoC, Maharashtra. Pursuant to a special resolution of the shareholders of our Company on September 14, 2007, our Company was converted into a public company, and the name of our Company was further changed to ‘Bajaj Corp Limited’ and consequent to such change of name, a fresh certificate of incorporation dated October 16, 2007 was issued by the RoC, Maharashtra.

We commenced manufacturing and sale of our products in April 2008. Our products have been in existence since 1953 and were sold by different Bajaj group companies. BSL an erstwhile Bajaj group company manufactured and sold our products until December 2000. In January 2001, pursuant to a scheme of demerger, BSL transferred its operating business and assigned the trademarks for all the brands to its subsidiary Deccan Ayurvedashram Pharmacy Limited which subsequently changed its name to BCCL. Subsequently, pursuant to the execution of the Trademark License Agreement between BCCL and us, BCCL assigned the trademarks for the products in our favour. For details of the Trademark License Agreement, refer to the sub-section titled “Other Agreements entered into by our Company other than in the normal course of business” given below.

Changes in Registered Office

Pursuant to a resolution passed by our Board of Directors dated June 25, 2007, the registered office of our Company was shifted from Flat No.P/0005, Challenger Tower 1, Thakur Village, Kandivali (E), Mumbai 400101, Maharashtra to 2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (E), Mumbai 400093, Maharashtra. This was done for greater operational facilities.

Key Events and Milestones

Year	Key Events, Milestones and Achievements
2008	BCCL licensed all its brands to our Company <i>vide</i> a brand licensing agreement dated March 12, 2008.
2008	Our Company set up its first manufacturing plant at Parwanoo in Himachal Pradesh.
2009	Our Company set up its second manufacturing plant at Dehradun, Uttarakhand.
2010	Our Company set up its third manufacturing plant at Paonta Sahib, Himachal Pradesh.

Our Company has eight shareholders as of the date of filing of this RHP with SEBI.

For details relating to our financial statements, see the section titled “Financial Statements” beginning on page 139 of this RHP.

Main Objects

The main objects of our Company are set forth in the table below:

Clause	Particulars
IIIA (1)	To carry on the business of manufacturers, exporters, importers, retailers, merchants, producers, buyers, sellers, brokers, buying agents, selling agents, packers, re-packers, commission agents, factors, distributors, stockists, agents, traders and suppliers of and dealers in all classes and kinds of all or any pharmaceutical, medicinal, industrial and other preparations and articles, patent medicines, mineral and other water, cordials, restoratives, foods, drugs, tinctures, Inks, paints, pigments, varnishes, drugs and colour grinders, makers of and dealers in proprietary and sanitary articles, hair oils, scents, snows, perfumes, talcum powders, face powders, baby powders, prickly heat powders, face creams, face foundations, skin powders, tooth powders, tooth paste, toothbrushes, hair dyes, shaving soaps, shaving creams, shaving brushes, blades, razors, eyeliners, eye shadows, mascaras, kajals, nail polish, nail enamel, nail polish removers, nail hardners, lip sticks, lip gloss, blush on, eyelash curlers, hair sprays, shampoos, conditioners, after shave lotions, after shave soaps, medicated soaps, lather soaps, moisturising soaps, moisturising creams, abrasives, cleansing milk creams, hair removers, waxes, sprays, hair creams, tissue papers, kerchiefs, cosmetics and toiletries and other preparations of all kinds according to the methods and systems of Allopathy, Homeopathy, Unani, Ayurveda and Biochemistry, chemicals (organic and/or inorganic, fine or heavy, their mixtures and formulation) its intermediates, jute, jute goods, jute cuttings, jute rejections, cotton, yarn wool, silk, handicraft,

Clause	Particulars
	flax, hemp; rayon, nylon and other fibrous materials and man made fibers, textile fabrics, ready-made garments, food-grains, food products, vegetable products, irons, steel, cement, paper, paper board, news print, straw board, hard board, tea, coffee, electrical goods, sugar, sugar cane, molasses, plant and machinery, vehicles and other automobile spare parts, tractors and other agricultural implements, tyres, tubes, tyre cord sheets, rubber and rubber products, plastic and plastic products, leather products, foot wear, hides, skins, metals and minerals and all other goods made thereof there from electrical, chemicals, photographic, cordials, drugs, tanning, essence and colour grinders, oxygen, hydrogen, nitrogen, carbonic acid, acetylene dissolved or otherwise and any other gases or any compounds or by-products thereof; engines, electrodes, transformers, gas cylinders, containers, compressors, welding machine and other apparatuses and machinery to be used for or in connection with the consumption of gases directly or indirectly and to carry on business of manufactures, merchants, traders, dealers, producers, export house of any good, commodities and merchandise of any other description whatsoever either by wholesale or retail and to carry on other business or businesses which it may possibly be desirable to carry on in conjunction with or in lieu of or independently of any business of the company.
IIIA (2)	To carry on the business of importers and exporters of all kinds of chemicals, chemical products, deoiled cakes, animal feeds, concentrates and to carry on business as manufacturers, buyers, sellers of and dealers in all kinds of chemicals and chemical products including acids, alkalies, salts, manures, fertilizers, dye ware paint, caustic soda, soda ash, nitric acid, sodium nitrate, sodium nitrite, sodium bicarbonate, ammonia, and all other types of acids, solvents and industrial chemicals and minerals, pigments, methanol and all other organic and inorganic chemicals.
IIIA (3)	To carry on the business of manufacturers and dealers in Anatomical, Orthopaedic and Surgical Appliances, provisions and requisites of all kinds of Surgical apothecaries, Medical Practitioners, Hospital and Invalids.
IIIA (4)	To carry on the business of manufacturers and dealers in pesticides, insecticides, repellents and of all kinds of agriculture chemicals and to carry on the said business in all their branches.
IIIA (5)	To carry on the business of manufacturers and dealers in pesticides, insecticides, repellents and of all kinds of agriculture chemicals and to carry on the said business in all their branches.

The main objects as contained in the Memorandum of Association of our Company enable us to carry on the business that is presently carried out, as well as the businesses we propose to carry out.

For details relating to our business, operations and competitors see the sections titled “Our Business”, “Industry” and “Financial Statements” beginning on pages 82, 72 and 139 of this RHP respectively.

Amendments to our Memorandum of Association

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

Date of Shareholders' approval	Nature of Amendment
July 18, 2007	The Memorandum of Association was amended with respect to the name of our Company being changed to “Bajaj Corp Private Limited”.
July 18, 2007	The authorised share capital of our Company was increased pursuant to which Clause V of the Memorandum of Association was replaced with the following: <i>“The authorized share capital of our Company is Rs. 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) equity shares of Rs. 10 (Rupees Ten only) each.”</i>
July 18, 2007	Clause IIIA(1) of the Memorandum of Association was amended and replaced with the following: <i>“To carry on the business of exporters, importers, retailers, merchants, buyers, sellers, brokers, buying agents, selling agents, packers, re-packers, commission agents, factors, distributors, stockists, agents, traders and suppliers of and dealers in all classes and kinds of all or any pharmaceutical, medicinal, industrial and other preparations and articles, patent medicines, mineral and other water, cordials, restoratives, foods, drugs, tinctures, Inks, paints, pigments, varnishes, drugs and colour grinders, makers of and dealers in proprietary and sanitary articles, hair oils, scents, snows, perfumes and other preparations of all kinds according to the methods and systems of Allopathy, Homeopathy, Unani, Ayurveda and Biochemistry, chemicals (organic and/or inorganic, fine or heavy, their mixtures and formulation) its intermediates, jute, jute goods, jute cuttings, jute rejections, cotton, yarn wool, silk, handicraft, flax, hemp; rayon, nylon and other fibrous materials and man made fibers, textile fabrics, ready-made garments, food-grains, food products, vegetable products, irons, steel, cement, paper, paper board, news print, straw board, hard board, tea, coffee,</i>

Date of Shareholders' approval	Nature of Amendment
	<p><i>electrical goods, sugar, sugar cane, molasses, plant and machinery, vehicles and other automobile spare parts, tractors and other agricultural implements, tyres, tubes, tyre cord sheets, rubber and rubber products, plastic and plastic products, leather products, foot wear, hides, skins, metals and minerals and all other goods made thereof there from electrical, chemicals, photographic, cordials, drugs, tanning, essence and colour grinders, oxygen, hydrogen, nitrogen, carbonic acid, acetylene dissolved or otherwise and any other gases or any compounds or by-products thereof; engines, electrodes, transformers, gas cylinders, containers, compressors, welding machine and other apparatuses and machinery to be used for or in connection with the consumption of gases directly or indirectly and to carry on business of merchants, traders, dealers, export house of any good, commodities and merchandise of any other description whatsoever either by wholesale or retail and to carry on other business or businesses which it may possibly be desirable to carry on in conjunction with or in lieu of or independently of any business of the company."</i></p>
July 18, 2007	<p>Clause IIIA of the Memorandum of Association was amended to insert the following:</p> <p><i>"1. To carry on the business of importers and exporters of all kinds of chemicals, chemical products, deoiled cakes, animal feeds, concentrates and to carry on business as manufacturers, buyers, sellers of and dealers in all kinds of chemicals and chemical products including acids, alkalies, salts, manures, fertilizers, dye ware paint, caustic soda, soda ash, nitric acid, sodium nitrate, sodium nitrite, sodium bicarbonate, ammonia, and all other types of acids, solvents and industrial chemicals and minerals, pigments, methanol and all other organic and inorganic chemicals.</i></p> <p><i>2.To carry on the business of manufacturers and dealers in Anatomical, Orthopaedic and Surgical Appliances, provisions and requisites of all kinds of Surgical apothecaries, Medical Practitioners, Hospital and Invalids.</i></p> <p><i>3. To carry on the business of manufacturers and dealers in pesticides, insecticides, repellents and of all kinds of agriculture chemicals and to carry on the said business in all their branches.</i></p> <p><i>4. To carry on the business of manufacturers and dealers in pesticides, insecticides, repellents and of all kinds of agriculture chemicals and to carry on the said business in all their branches."</i></p> <p>Clause IIIC of the Memorandum of Association was amended to insert the following:</p> <p><i>"To carry on the business of plantation of all types for commercial, domestic, industrial or any other purposes and to cultivate, produce, process, store, cann, import, export, buy, sell, warehouse and to act as agent, broker, stockist, indenter, consignor, merchant, adatia, farmer, floriculturist, tissueculturist, periculturist, sericulturist, horticulturist, apiculturist, orchardist, grazer, nursery man, seed beeder, timber-grower, forest owner or otherwise to deal in all types of crops, seeds, grains, leaves, grass, timbers, fruits, vegetables, foods, cereals, herbals, flowers, edibles, nonedibles and all such other agricultural products, derivatives or wastes and to erect green houses, artificial chambers or any other premises for the promotion of speedy growth of agricultural products or to undertake bio-technical and artificial transplantations."</i></p>
September 14, 2007	<p>The Memorandum of Association was amended with respect to the name of our Company being changed to "<i>Bajaj Corp Limited</i>".</p>
May 19, 2008	<p>The authorised share capital of our Company was increased pursuant to which Clause V of the Memorandum of Association was replaced with the following:</p> <p><i>"The authorized share capital of our Company is Rs. 10,00,00,00 (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten only) each."</i></p>
November 3, 2009	<p>The authorised share capital of our Company was increased pursuant to which Clause V of the Memorandum of Association was replaced with the following:</p> <p><i>"The authorized share capital of our Company is Rs. 20,00,00,000 divided into 20,00,00,000 Equity Shares of Re.1 (Rupee One only) each."</i></p>
November 3, 2009	<p>Clause IIIC of the Memorandum of Association was amended to insert the following:</p> <p><i>"1. To promote, develop, generate, distributes, accumulate, transmit, supply, sell electricity and/or power by installing power plant/s, whether based on thermal, hydel, gas, solar, windmill, diesel, furnace oil or any other source and to lay down, establish power stations, cables, transmission lines or towers, sub-stations, terminal and other works for the aforesaid purpose and to acquire, run or manage any company or undertaking engaged in similar business and/or activities.</i></p> <p><i>2. To engage in the business of engineering, contracting and construction including the design, manufacture, construction, erection, alteration, repair, and installation of plants, buildings, structures, ways, works, system</i></p>

Date of Shareholders' approval	Nature of Amendment
	<p><i>and mechanical electrical and electronic machineries, equipments, apparatus and devices.</i></p> <p>3. <i>To explore, prospect, take on lease or on royalty basis or otherwise, acquire mines, mining rights and lands or any interest therein and to quarry, mine, dress, reduce, draw, extract, calcine, smelt, refine, manufacture, process and otherwise dispose of and deal in all types, qualities and escription of ore, metal and mineral substances and to carry on any metallurgical operations.</i></p> <p>4. <i>To carry on the business of construction of roads, bridges, tunnels, dams, canals, jetties, setting up of other infrastructural facilities and/or running them on lease, rentals, toll, etc. and to engage in repairing and/or maintenance thereof."</i></p>
November 27, 2009	<p>Clause IIIA(1) of the Memorandum of Association was amended and replaced with the following:</p> <p><i>"To carry on the business of manufacturers, exporters, importers, retailers, merchants, producers, buyers, sellers, brokers, buying agents, selling agents, packers, re-packers, commission agents, factors, distributors, stockists, agents, traders and suppliers of and dealers in all classes and kinds of all or any pharmaceutical, medicinal, industrial and other preparations and articles, patent medicines, mineral and other water, cordials, restoratives, foods, drugs, tinctures, Inks, paints, pigments, varnishes, drugs and colour grinders, makers of and dealers in proprietary and sanitary articles, hair oils, scents, snows, perfumes, talcum powders, face powders, baby powders, prickly heat powders, face creams, face foundations, skin powders, tooth powders, tooth paste, toothbrushes, hair dyes, shaving soaps, shaving creams, shaving brushes, blades, razors, eyeliners, eye shadows, mascaras, kajals, nail polish, nail enamel, nail polish removers, nail hardners, lip sticks, lip gloss, blush on, eyelash curlers, hair sprays, shampoos, conditioners, after shave lotions, after shave soaps, medicated soaps, lather soaps, moisturising soaps, moisturising creams, abrasives, cleansing milk creams, hair removers, waxes, sprays, hair creams, tissue papers, kerchiefs, cosmetics and toiletries and other preparations of all kinds according to the methods and systems of Allopathy, Homeopathy, Unani, Ayurveda and Biochemistry, chemicals (organic and/or inorganic, fine or heavy, their mixtures and formulation) its intermediates, jute, jute goods, jute cuttings, jute rejections, cotton, yarn wool, silk, handicraft, flax, hemp; rayon, nylon and other fibrous materials and man made fibers, textile fabrics, ready-made garments, food-grains, food products, vegetable products, irons, steel, cement, paper, paper board, news print, straw board, hard board, tea, coffee, electrical goods, sugar, sugar cane, molasses, plant and machinery, vehicles and other automobile spare parts, tractors and other agricultural implements, tyres, tubes, tyre cord sheets, rubber and rubber products, plastic and plastic products, leather products, foot wear, hides, skins, metals and minerals and all other goods made thereof there from electrical, chemicals, photographic, cordials, drugs, tanning, essence and colour grinders, oxygen, hydrogen, nitrogen, carbonic acid, acetylene dissolved or otherwise and any other gases or any compounds or by-products thereof; engines, electrodes, transformers, gas cylinders, containers, compressors, welding machine and other apparatuses and machinery to be used for or in connection with the consumption of gases directly or indirectly and to carry on business of manufactures, merchants, traders, dealers, producers, export house of any good, commodities and merchandise of any other description whatsoever either by wholesale or retail and to carry on other business or businesses which it may possibly be desirable to carry on in conjunction with or in lieu of or independently of any business of the company."</i></p>
February 22, 2010	<p>The authorised share capital of our Company was re-classified pursuant to which Clause V of the Memorandum of Association was replaced with the following:</p> <p><i>"(a)The Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 4,00,00,000 (Four Crore) Equity Shares of Rs.5/- (Rupees Five only) each."</i></p>

Holding Company

BCCL is our holding company. For details relating to BCCL, see the section titled "Our Promoter and Group Companies" beginning on page 121 of this RHP.

Subsidiaries and Joint Ventures

Our Company does not have any subsidiaries or Joint Ventures as on date of this RHP.

Other Agreements entered into by our Company other than in the normal course of business

Memorandum of Understanding

Our Company has entered into a Memorandum of Understanding dated October 14, 2009 (“**MOU**”) with Bajaj Infrastructure Development Company Limited holding 51%, Bajaj Hindustan Limited holding 5% and Teracon Construction (India) Private Limited holding 4% to form a consortium in the nature of a Special Purpose Vehicle (“**SPV**”) to participate in the tender for redevelopment of property at Nityanand Nagar Vibhag Four Cooperative Housing Society Limited to be executed as the agent of the society for the proposed development retaining all rights, ownership and possession of the properties with the society. As per the terms of the MOU, our Company has undertaken to subscribe to at least 40% of the paid up capital of the SPV. Once incorporated, the SPV shall formulate a business plan for the redevelopment of the aforementioned property, in the event it wins the tender. The investment in the SPV shall be financed through internal accruals of our Company. By a resolution dated March 18, 2010, our Company has limited the quantum of our investment in the SPV to the sum of Rs. 800,000. Further, the role and responsibility of our Company in the SPV, as recorded in the MOU will be that of financial commitment and participation in the management of the SPV jointly and severally.

Other Key Agreements

Trademark License Agreement

Our Company has entered into a brand licensing agreement dated March 12, 2008 with our Promoter BCCL, which was amended on January 22, 2010 and further amended by a novation agreement dated February 24, 2010, for the exclusive use of all the brand names under which we market our products (“**Trademark Licensing Agreement**”).

The main terms of the Trademark License Agreement are as follows:

Term: The Trademark License Agreement is valid for a period of 99 years from March 12, 2008, i.e. valid until March 12, 2107 and further extendable for a period of 10 (ten) years thereof.

Grant of License: An exclusive and worldwide global license in respect of the products and brands is granted to us by our Promoter, BCCL in connection with the manufacture, advertisement, distribution and sale of the Goods. Our Company may use the licenses trademarks along with any other trademark or logo, tradenames and trading styles.

Territory: Shall mean and include all geographic locations and jurisdictions across the whole world.

Goods: Shall mean all those products and brands as enumerated in the Trademark Licensing Agreement for which trademarks are registered and/ or applied for and also includes other fast moving consumer goods.

Royalty Arrangement: Our Company will pay our promoter BCCL a royalty of 1 (one) % of our annual net sales turnover in respect of the Goods (as defined above), commencing on 1st day of every financial year. The payment shall be made by our Company in Indian rupees no later than 60 days from the end of financial year.

Reports: Our Company shall prepare and submit written reports to our Promoter, BCCL within 45 days after the close of each financial quarter during the Term of the Trademark Licensing Agreement, beginning with the financial quarter in which the date of the first commercial sale of the product occurs. Our Company will maintain clear accurate and complete records for a period of at least five years or time as prescribed under applicable laws whichever is higher for each reporting period in which net sales occur showing the manufacturing, sales, use and other disposition of Goods in the Territory in reasonable detail to enable the estimation of royalties payable. Our Company further agrees to permit its books and records to be examined by an independent account firm from time to time to the extent necessary. Such examination is to be made at the expense of our Promoter, BCCL except in the case as per the results of the audit the licensee has underpaid BCCL by 15% or more wherein the audit fees shall be paid by the licensee.

The aforementioned clauses Royalty Arrangement and Reports will remain unaltered even if the products are manufactured by third parties and or by a sub licensor.

Non Compete: In view of the exclusive license being granted to our Company, our Promoter, BCCL shall not manufacture the products developed, manufactured and marketed by us or any other products similar to those manufactured, developed and marketed by our Company during the pendency of the Trademark Licensing Agreement.

Termination: In the event of any material breach of the terms of the Trademark License Agreement by the parties, the said Trademark Licensing Agreement can be terminated by either our Company or by our Promoter, BCCL upon providing a notice of 90 (ninety) days to the other party. Our Promoter, BCCL also has the right to terminate the Trademark Licensing Agreement after providing 30 (thirty) days written notice to our Company, in the event of substantial or complete seizure of our assets, when the management of our Company undergoes change or comes directly or indirectly under governmental control or when our Company is denied certain authorizations required to carry on our business in a particular country.

Permitted use of Trademark: No other symbols, marks or other wording, shapes and designs of the packing and copyrights of labels whether registered or unregistered, except the tradename or the corporate name shall appear on the Goods without the prior consent of our Promoter, BCCL.

Contract Manufacturers: Our Company acknowledges that our Promoter, BCCL may participate in deciding the contract manufacturers.

Restriction on advertisements and Reservations: Our Company shall not represent to any person that it is the owner/proprietor of the Goods and agree and undertake to ensure that all material. Advertisements (whether audio or video or both), goods, stationary, pamphlets and any other reference to the Goods shall at all times clearly and expressly carry the phrase “ under license from Bajaj Consumer Care Limited” or such other message/ instructions as maybe specifically prescribed by BCCL from time to time during the Term of the Trademark Licensing Agreement..

Quality Control: In terms of the Trademark Licensing Agreement, our Company agrees that our Promoter BCCL has the right to control the standards and quality of the Goods used by us in accordance with the Trademark Licensing Agreement. We have further agreed, that all Goods will be manufactured by us in accordance with such minimum quality standards and specifications as our Promoter BCCL may prescribe from time to time. The following are the main quality control provisions in accordance with the Trademark Licensing Agreement:

- To the extent possible our Company will follow all directions, formulas, standards and specifications from time to time as prescribed by our Promoter, BCCL. Further we will not sell Goods which in the opinion of our Promoter are not in the prescribed specification. Such decision of our Promoter BCCL will be final and binding on our Company. This obligation of our Company will apply mutatis mutandis with any other contract manufacturer or service provider.
- Our Company will require the prior consent of our Promoter BCCL for the use and affixation of the licensed Goods, including the nature and type of Goods, products, any packaging and labels. All such usage by our Company will be in agreed manner and in conformity with guidelines as prescribed by our Promoter from time to time.
- Our Company will allow authorised representatives of our Promoter BCCL to visit our facilities after being provided 3 (three) business days notice, and we shall extend all necessary co-operation in this regard.
- Our Company will include all appropriate trademarks, artistic works and other legal notices on the Goods and packaging and labels as required under applicable law including safety laws. We shall indemnify and hold our Promoter harmless against any such liability arising therein.
- Our Company will retain, test process the final inspection records on the Goods bearing the licensed trademarks for a period of 5 (five) years or under applicable law, which ever is higher.
- Notwithstanding our Promoter- BCCL’s right to test and inspect the goods manufactured by our Company, Our Promoter BCCL has no responsibility to third parties in respect of the Goods manufactured, promoted, distributed or sold by us.
- Our Company will maintain records of all the Goods manufactured, promoted distributed or sold and will provide our Promoter details of any and or all Goods, upon being given notice of 7 (seven) business days in writing.
- Our Company will use the Goods in the Territory accordance with the Trademark Agreement and will not allege, claim any rights title or interest in relation to the licensed trademarks.
- Our Company will observe all reasonable directions given by our Promoter BCCL, in relation to the colour, size, type and other method of presentation in relation to the Goods. The relevant symbol for registered and unregistered trademarks will be used by our Company.
- During the course of trade or otherwise as the case maybe, our Company will always signify to the ultimate consumer in writing that the trademarks are proprietary to our Promoter BCCL; that our Promoter BCCL is the licensor of the Goods; and mention the place of manufacture of the Goods subject to compliance with the labeling required under applicable law.

OUR MANAGEMENT

Our Articles of Association requires us to have not less than three and not more than 12 Directors. Presently we have seven Directors, of which apart from the Chairman who is a non - executive Director two are whole-time Directors and four are independent Directors.

The following table sets forth details regarding our Board of Directors as of the date of filing this RHP with the SEBI.

Name, Designation, Term, Occupation and DIN	Age (years)	Address	Other Directorships
Mr. Kushagra Bajaj (s/o Mr. Shishir Bajaj) <i>Designation:</i> Non- Executive Chairman <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Industrialist <i>Nationality:</i> Indian <i>DIN:</i> 00017575	33	100 Mount Unique, 62-A Peddar Road, Mumbai-400026	1. Bajaj Hindusthan Limited. 2. Bajaj Hindusthan Sugar & Industries Limited. 3. Bajaj Capital Ventures Private Limited 4. Bajaj Eco-Tec Products Limited 5. Bajaj Trustee Company Private Limited 6. Bajaj Consumer Care Limited 7. Parvati Chinni Private Limited 8. Bajaj Power Ventures Private Limited 9. Bajaj Energy Private Limited
Mr. R.F.Hinger (s/o Late Mr. Fatehlal Hinger) <i>Designation:</i> Vice Chairman and Whole Time Director <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Service <i>Nationality:</i> Indian <i>DIN:</i> 00974574	70	436, Panchratna Complex, Opp. Galaxy Apartments, Bedla Road, Udaipur-313001	1. Bajaj Consumer Care Limited 2. Bajaj ebiz Private Limited 3. Esugar Clearing Corporation Limited 4. Bajaj Infrastructure Development Company Limited
Mr. Sumit Malhotra (s/o Late Mr. Shamlal Malhotra) <i>Designation:</i> Whole Time Director <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Service <i>Nationality:</i> Indian <i>DIN:</i> 02183825	48	5A Regency Park Eden Woods, Pokhran Road No 2, Near VasantVihar, Nr Popler Bld, Thane	NA
Mr. Haigreave Khaitan (s/o Mr. Pradip Kumar Khaitan) <i>Designation:</i> Independent Non-Executive Director <i>Term:</i> Liable to retire by rotation	40	1104, Sterling Sea Face, Dr. Annie Besant Road, Worli, Mumbai 400 018	1. Ceat Limited 2. Harrisons Malayalam Limited 3. Hindustan Composites Limited 4. Inox Leisure Limited 5. National Engineering Industries Limited 6. Jindal Steel & Power Limited 7. Rama Newsprint & Papers Limited 8. Sterlite Technologies Limited

Name, Designation, Term, Occupation and DIN	Age (years)	Address	Other Directorships
<i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>DIN:</i> 00005290			9. The Madras Aluminium Company Limited 10. The Oudh Sugar Mills Limited 11. Xpro India Limited 12. AVTEC Limited 13. Bennett, Coleman & Company Limited 14. BTS Investment Advisors Private Limited 15. Great Eastern Energy Corporation Limited 16. I.G.E (India) Limited 17. Khaitan Consultants Limited 18. Vinar Systems Private Limited
Mr. Gaurav Dalmia (s/o Mr. M.H. Dalmia) <i>Designation:</i> Independent Non-Executive Director <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Industrialist <i>Nationality:</i> Indian <i>DIN:</i> 00009639	43	20-F, Prithviraj Road, New Delhi, 110 011	1. Debikay Systems Limited 2. Dalmia Agencies Private Limited 3. First Capital India Limited 4. Infinity Technology Investments Private Limited 5. Infinity Technology Trustee Private Limited 6. Landmark Landholdings Private Limited 7. Skylark Consultants (India) Private Limited 8. India Value Fund Advisors Private Limited 9. Astir Properties Private Limited 10. Ansal Landmark Township Private Limited 11. Vipul SEZ Developers Private Limited 12. Landmark Hi Tech Development Private Limited 13. New Line Buildtech Private Limited 14. Sukhm Infrastructure Private Limited 15. Plus One Realtors Private Limited 16. New Line Developers Private Limited 17. IVF Advisors Private Limited 18. Landmark Realtech Private Limited 19. Landmark Property Development Company Limited 20. Kumar Builders Townships Ventures Private Limited 21. Kumar Urban Development Limited 22. Safari Retreats Private Limited 23. Hari Machines Limited
Mr. Dilip Cherian (s/o Late Mr. C. Cherian) <i>Designation:</i> Independent Non-Executive Director <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>DIN:</i> 00322763	54	A-20, Nizamuddin East, New Delhi 110 013	1. Perfect Relations Limited 2. Image Public Relations Private Limited 3. Imprimis Life PR Private Limited 4. Perfect PR Communications Services Private Limited 5. College Hill Perfect Financial Relations Private Limited 6. Accord Public Relations Private Limited 7. Spring Sport and Sustainability Private Limited 8. Webgyor.com Private Limited 9. Muzaffar Ali Communications Arts Private Limited 10. The Advertising Standard Council of India

Name, Designation, Term, Occupation and DIN	Age (years)	Address	Other Directorships
			11. NISCO Ventures Private Limited 12. MID Day Multimedia Limited 13. Centre for Image Management Studies Private Limited
Mr. Aditya Vikram Somani (s/o Mr. Ramesh Somani) <i>Designation:</i> Independent Non-Executive Director <i>Term:</i> Liable to retire by rotation <i>Occupation:</i> Industrialist <i>Nationality:</i> Indian <i>DIN:</i> 00046286	36	131, Laxmi Vilas, Nepeansea Road, Mumbai 400 006.	1. Everest Finvest (India) Private Limited 2. Falak Investments Private Limited 3. Salaam Bombay Foundation 4. White Knight Constructions (I) Private Limited 5. Everest Industries Limited

Details of Directors

Mr Kushagra Bajaj

Non- Executive Chairman

Mr Kushagra Bajaj, aged 33 years, is the non-executive chairman of our Company since September 14, 2007 and is one of the Promoters of our Company. He holds a bachelors degree of science in economics, political philosophy and finance from the Carnegie Mellon University, Pittsburgh, USA and a masters degree in science in marketing and finance from the Northwestern University, Chicago, USA. He has over 10 years of experience in the consumer and sugar industry.

Mr Roshan F. Hinger

Vice-Chairman and Whole Time Director

Mr Roshan F. Hinger, aged 70 years, is the vice chairman and whole time Director of our Company. He holds a bachelors degree of science from the University of Udaipur. He has over 45 years of experience in the FMCG business. He joined our Company on September 14, 2007 and is responsible for leading and directing our Company's strategy and business operations.

Mr Sumit Malhotra

Whole Time Director

Mr Sumit Malhotra, aged 48 years, is the whole time Director of our Company. He holds a bachelors degree in pharmacy with honours from Institute of Technology, Benaras Hindu University, Varanasi and a post graduate diploma in business management from IIM, Ahmedabad. He has over 23 years of experience in the FMCG sector. He joined our Company on April 1, 2008 and is responsible for leading the sales and marketing department of our Company. Prior to joining our Company he was president, sales and marketing of BCCL since 2004.

Mr Haigreave Khaitan

Independent Non-Executive Director

Mr Haigreave Khaitan, aged 40 years, is an independent Director of our Company. He holds a bachelors degree in law from the Calcutta University and is a lawyer by profession. He is a member of the Bar Council of West Bengal, Incorporated Law Society, International Bar Association, London, the Indian Council of Arbitration, the Indian Law Institute, the Bar Association of India and the Entrepreneurs Organization. He has over 15 years experience in legal field. Mr. Khaitan has been recommended by several leading publications; Chambers & Partners and Legal 500 have recommended him for his Mergers and Acquisitions expertise and PLC Which Lawyer has recommended him for his expertise in Mergers and Acquisitions, Restructuring and Insolvency, Real Estate and Project Finance. He joined our Company on February 4, 2010.

Mr Gaurav Dalmia*Independent Non-Executive Director*

Mr Gaurav Dalmia, aged 43 years, is an independent Director of our Company with effect from February 4, 2010. He holds a bachelors degree in computer science from Salford University, UK and has completed his masters in business administration with Beta Gamma Sigma honors from Colombia University, USA. He is a member of the Dalmia industrial family which has substantial business interests in India, UK and USA. He has co-founded 'Infinity', India's first angel investment fund with a corpus of \$35 million. Mr. Dalmia was selected as the Global Leader for Tomorrow for the year 2000 by the World Economic Forum.

Mr. Dilip Cherian*Independent Non-Executive Director*

Mr. Dilip Cherian, aged 54 years, is an independent Director of our Company with effect from February 4, 2010. He holds a bachelors degree in Economics from the Presidency College, University of Calcutta and a masters degree in Economics from the Delhi School of Economics, University of Delhi. Mr Cherian has a long standing career in varied fields including journalism and management consulting. He was also an Economic Consultant in the Bureau of Industrial Costs in the Ministry of Industry, Government of India. Mr. Cherian is also on the board of various government and non-profit making organizations like the Advertising Standards Council of India, Mudra Institute of Communication, Ahmedabad, JIVA Institute, Governing Council of the National Institute of Design, Honorary Director General of the Centre of Image Management Studies and Apex Committee of Shareholders Education and Grievance Redressal of the Ministry of Corporate Affairs.

Mr. Aditya Vikram Somani*Independent Non-Executive Director*

Mr. Aditya Vikram Somani, aged 36 years, is an independent Director of our Company with effect from February 4, 2010. He holds a masters degree in commerce from Sydenham College, Mumbai, post graduate diploma in business management from S.P.Jain Institute of Management and Research, Mumbai and masters in business administration from University of Pittsburgh, USA. He is the promoter director of Everest Industries Limited, leading manufacturers of building products and steel pre-engineered buildings. Further, Mr. Somani is associated with various social service organizations working towards the areas of health, education, skill building amongst weaker sections of society.

Borrowing Powers of the Board of Directors of our Company

The Articles of Association of our Company authorize the Board of Directors to borrow.

Pursuant to a resolution passed by our shareholders on November 27, 2009 in accordance with the provisions of Section 293(1)(d) of the Companies Act 1956, our Board has been authorised to borrow money for the purposes of our Company upon such terms and conditions and with or without security as the Board may think fit, provided that the money or monies to be borrowed together with the monies already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) shall not exceed, at any time, a sum of Rs. 50,000 million.

Remuneration paid to our Directors

Except as stated below none of our Directors have been paid any remuneration by our Company:

Sr. No.	Name of Directors	Date of contract/Appointment Letter/Resolution	Term	Compensation (per annum)
1.	Mr. R.F.Hinger*	Appointed as whole time Director by EGM Resolution dated May 30, 2008	For a period of three years From April 1, 2008 to March 31, 2011	For the last financial year 2009-10 the total remuneration paid is Rs. 8,368,036/-.
2.	Mr. Sumit Malhotra*	Appointed as whole time Director by EGM Resolution dated May 30, 2008	For a period of five years From April 1, 2008 to March 31, 2013	For the last financial year 2009-10 the total remuneration paid is Rs. 7,266,304/-.

As of the date of the RHP, our Company has not entered into any employment contract with our Directors.

Shareholding of Directors in our Company

Our Articles do not require our Directors to hold any qualification shares. None of our Directors hold any Equity Shares in our Company.

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of remuneration and fees payable to them for services rendered as Directors of our Company such as attending meetings of the Board or a committee thereof and to the extent of other reimbursement of expenses payable to them under our Articles of Association.

Our Directors may also be regarded as interested in our Equity Shares that may be subscribed by or Allotted to them or the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue.

Except as stated in this RHP and in particular the section titled “**Financial Statements**” beginning on page 139 of this RHP, our Directors have no interest in any property acquired by us within two years of the date of filing of this RHP.

Certain of our Directors also hold directorships in our Group Entities which are allowed to engage in the FMCG business. None of our Directors have been appointed on our Board pursuant to any arrangement with our shareholder, customers, suppliers or others.

Except as stated in this RHP and in particular the section titled “**Financial Statements**” beginning on page 139 of this RHP, our Directors do not have any other interest in our business.

Changes in our Board of Directors during the last three years

The changes in our Board of Directors in the last three years preceding the filing of this RHP are as follows:

Name	Date of Joining/Appointment /Re-appointment	Date of Cessation	Reason
Mr. Rajeev Gandhi	April 25, 2006	September 14, 2007	Resignation
Mr. Sunil Kumar Avasthi	April 25, 2006	September 14, 2007	Resignation
Mr. Kushagra Bajaj	September 14, 2007	NA	Appointment as Director and Chairman.
Mr. R. F. Hinger	September 14, 2007	NA	Change in designation from non executive Director to a whole-time Director
Mr. V. C. Nagori	September 14, 2007	April 26, 2008	Resignation.
Mr. Sumit Malhotra	April 1, 2008	NA	Appointment as Whole-time Director.
Mr Divyaroop Bhatnagar	April 1, 2008	April 30, 2009	Resignation.
Mr. P.L.Dadheech	August 29, 2008	February 4, 2010	Resignation.
Mr. Damodar Samdani	August 29, 2008	February 4, 2010	Resignation.
Mr. Haigreve Khaitan	February 4, 2010	NA	Appointment as Independent Director
Mr. Gaurav Dalmia	February 4, 2010	NA	Appointment as Independent Director
Mr. Dilip Cherian	February 4, 2010	NA	Appointment as Independent Director
Mr. Aditya Vikram Somani	February 4, 2010	NA	Appointment as Independent Director

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 our Company immediately upon the listing of our Equity Shares with the Stock Exchanges. We have complied with the requirements of corporate governance contained in the Listing Agreement, to particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Shareholders'/Investors' Grievance Committee and Remuneration Committee.

We have a Board constituted in compliance with the Companies Act and Listing Agreement with Stock Exchanges. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The Board has seven directors, out of which four are Independent Directors.

Committees of the Board of Directors

Our Company has constituted the following committees for compliance with corporate governance requirements:

(a) Audit Committee

The Audit Committee was constituted on August 29, 2008 and reconstituted pursuant to the Board meeting held on February 4, 2010 and comprises of;

Member	Designation
Mr. Gaurav Dalmia (Chairman)	Independent Director
Mr. Aditya Vikram Somani	Independent Director
Mr. Roshan F. Hinger	Whole-time / Executive Director

The scope and function of the Audit Committee is in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement, as amended from time to time, and its terms of reference include the following:

1. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments to financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions ; and
 - vii. Qualifications in the draft audit report.
5. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Carrying discussions with internal auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Carrying discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. 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.
12. To monitor the use of proceeds received in the initial public offering.

The Audit Committee is required to meet at least three times in a year, including once before the finalisation of annual accounts and once in every six months. The quorum for the meetings is two directors or one-third of the total number of members, whichever is higher.

The Audit Committee held four meetings in the financial year 2009-2010. A brief description of meetings of the Audit Committee is set forth below:

Sr. no.	Date of the Meeting	Proceedings at the Meeting
1.	April 30, 2009	The Audit Committee was reconstituted by appointing Mr. R.F. Hinger as the Chairman in the place of Mr. Divyaroop Bhatnagar.
2.	August 10, 2009	The Audit Committee reviewed and recommended the following to the Board on August 12, 2009, for their approval: <ul style="list-style-type: none"> • The Audited Financial Statements for the financial year ended March 31, 2009. • The Auditors Report for the financial year ended March 31, 2009. • The remuneration of Rs. 12,000/- paid to the Auditors was approved. Further, they were recommended for reappointment.
3.	October 5, 2009	The Audit Committee reviewed and recommended the following to the Board on October 8, 2009, for their approval: <ul style="list-style-type: none"> • Unaudited financials for the period between April and September 2009. • Auditors Report pursuant to their Limited Review by Mr. Ravi Kothari representative of the Statutory Auditors of the unaudited financials for the period between April and September 2009.
4.	January 20, 2010	The Audit Committee reviewed and recommended the following to the Board on January 22, 2010, for their approval: <ul style="list-style-type: none"> • The draft audited financial statements for the period April to December 2009. • Auditors Report pursuant to their Review by Mr. Ravi Kothari representative of the Statutory Auditors of the draft audited financial statements for the period April to December 2009.

(b) Shareholders'/Investors' Grievance Committee

The Shareholders'/ Investors' Grievance Committee was constituted pursuant to the Board meeting held on February 4, 2010 and comprises of;

Member	Designation
Mr. Dilip Cherian (Chairman)	Independent Director
Mr. Sumit Malhotra	Whole-time / Executive Director
Mr. Roshan F. Hinger	Whole-time / Executive Director

The Shareholders'/ Investors' Grievance Committee inter alia performs the role/functions as set out in Clause 49 of the Listing Agreement, as amended from time to time, with the Stock Exchanges and it's terms of reference include:

- (i) Approving share transfer and transmissions, etc.;
- (ii) approving issuance of share certificates as and when required from time to time;
- (iii) investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interest, non- receipt of balance sheet etc.;
- (iv) oversee the performance of Registrar and Transfer Agent; and
- (v) such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

(c) Remuneration Committee

The Remuneration Committee was constituted pursuant to the Board meeting held on February 4, 2010 and comprises of;

Member	Designation
Mr. Gaurav Dalmia (Chairman)	Independent Director
Mr. Haigreve Khaitan	Independent Director
Mr. Aditya Vikram Somani	Independent Director

The Remuneration Committee be and is empowered with the role and function as per the provisions as specified under Annexure I D(2) of the Corporate Governance Code under Clause 49 of the Listing Agreement, as amended from time to time, including the appointment and finalizing the remuneration of senior level employees of our Company.

(d) IPO Committee

The IPO Committee was constituted pursuant to the Board meeting held on February 20, 2010 and comprises of:

Member	Designation
Mr. Kushagra Bajaj (Chairman)	Chairman / Non- Executive Director
Mr. Sumit Malhotra	Whole-time / Executive Director
Mr. Roshan F. Hinger	Whole-time / Executive Director

The terms of reference of IPO Committee include:

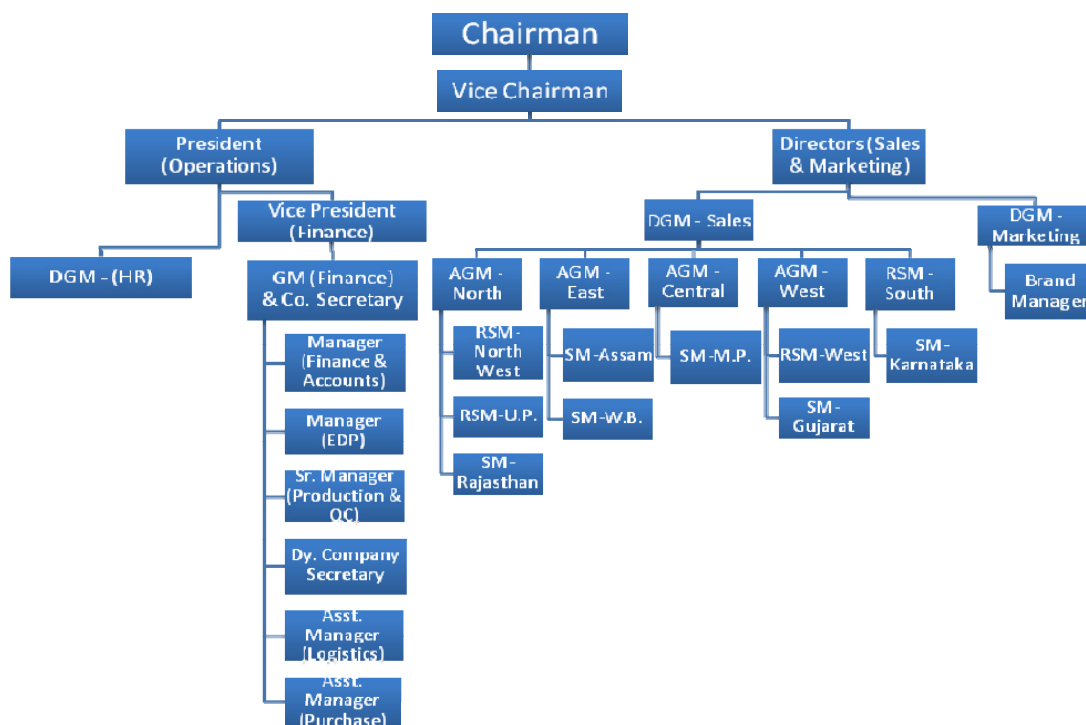
- a) To decide on the actual size of the Issue, including any reservation on a firm or competitive basis, timing, pricing and all the terms and conditions of the issue of the shares, including the price, and to accept any amendments, modifications, variations or alterations thereto;
- b) to appoint and enter into arrangements with the book running lead managers, co-managers to the Issue, underwriters to the Issue, syndicate members to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers to the Issue, registrars, legal advisors (domestic and international) and any other agencies, intermediaries or persons;
- c) to finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, Final Prospectus, agreement with the book running, lead managers, memorandum of understanding with the registrar, syndicate agreement, underwriting agreement, escrow agreement, stabilization agreement and all other documents, deeds, agreements and instruments as may be required or desirable in connection with the Issue;
- d) to issue advertisements in such newspapers as it may deem fit and proper about the future prospects of the Company and the proposed issue conforming to the guidelines issued by SEBI;
- e) to open a separate current account(s) with a scheduled bank(s) to receive applications along with application monies in respect of the Issue or any other account with any name and style as required during or after the process of the forthcoming Initial Public Offering (IPO) of the Company;
- f) the opening of a Bank Account of the Company in the name and style of "Bajaj Corp Limited - Public Issue Account" and "Bajaj Corp Limited - Public Issue Refund Account" for the handling of refunds for the Issue;
- g) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, allocation, finalizing the basis of allocation and allotment of the shares as permissible in law, issue of share certificates in accordance with the relevant rules;
- h) to make any applications to the FIPB, RBI and any other authorities, as may be required, for the purpose of issue of shares by the Company to non-resident investors, including NRI's and FII's;
- i) 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) and any other documentation to the concerned stock exchange(s);
- j) to finalise the basis of allocation and to allot the shares to the successful allottees;
- k) to settle all questions, difficulties or doubts that may arise in regard to such issues or allotment as it may, in its absolute discretion deem fit;

- l) to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
- m) to authorise and approve the incurring of expenditure and payment of fees in connection with the initial public offer of the Company;
- n) to approve and adopt the DRHP and any other offering document for the public issue as required under Section 60 and other relevant provisions of the Companies Act, 1956 and to file the same with the Registrar of Companies ("ROC") and SEBI, as the case may be, and to make any corrections or alterations therein; and
- o) to do all such acts, deeds and things as may be required to dematerialise the equity shares of the Company and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection.

The IPO Committee has been authorised to issue notice convening the meeting of Shareholders authorising the Issue and to comply with all requirements of the Companies Act with regard to the same. Further, the IPO Committee has been given all the powers and authority to modify, reapply, redo, make necessary changes, approach and do such acts and deeds that are necessary to do including to modify the Articles of Association subject to the approval of the shareholders of our Company, the DRHP, RHP and the Prospectus, all approvals there under and as required under the applicable law and to approach the SEBI, Stock Exchanges and/or any other statutory authority to resubmit any such modified documentation in this regard. The IPO Committee has also been authorised to approve, adopt and file the Prospectus for the Issue as required under sections 60 and 60B of the Companies Act, with the Registrar of Companies, Maharashtra, located at Mumbai and to make any corrections or alterations therein.

Any two members of the IPO Committee would constitute the quorum of the IPO Committee.

Organisation Structure:



Key Managerial Personnel

In addition to our whole time directors following are our key managerial personnel as on the date of filing this RHP:

Mr. Apoorv Bajaj- aged 29 years, joined our Company on November 5, 2009 as the executive president and is also a Promoter of our Company. He has a bachelors degree in commerce from the University of Mumbai and has passed the intermediate exams conducted by the Institute of Chartered Accountants of India and has a certificate of e-business from LSS (UK). He was paid an aggregate remuneration of Rs. 973,816/- for the financial year 2009-2010.

Mr. V.C.Nagori- aged 51 years, joined our Company on September 14, 2007 and is the vice president-finance of our Company. He is a qualified chartered accountant from the Institute of Chartered Accountants of India. He has approximately 25 years experience in finance, taxation, audit and legal compliance. Prior to joining our Company, Mr. V.C.Nagori was working with BCCL as vice president-finance. He was paid an aggregate remuneration of Rs. 3,203,862 for the financial year 2009-10.

Mr. D.K.Maloo- aged 49 years, joined our Company on April 1, 2008 and is the general manager-finance and company secretary. He is a qualified chartered accountant from the Institute of Chartered Accountants of India and is also a qualified company secretary from the Institute of Company Secretaries of India. He has approximately 22 years experience in finance, audit, taxation and legal compliance. Prior to joining our Company, Mr. D.K.Maloo was working with BCCL as the general manager-finance. He was paid an aggregate remuneration of Rs. 2,950,292/- for the financial year 2009-10.

Shareholding of the key managerial personnel

None of our key managerial personnel holds any Equity Shares in our Company.

Bonus or profit sharing plan for our key managerial personnel

Our Company does not have any bonus or profit sharing plan for our key managerial personnel.

Payment of benefit to officers of our Company

Except as disclosed in this RHP and any statutory payments made by our Company in the last two years, our Company has not paid any sum to its employees in connection with superannuation payments and ex-gratia or rewards and has not paid any non-salary amount or benefit to any of its officers.

Except as disclosed in this RHP, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors or the Promoters of our Company.

Changes in our key managerial personnel during the last three years

The changes in our key managerial personnel in the three years prior to the date of filing of this RHP are as follows:

Name	Date of Appointment as a Key Managerial Personnel	Date of Cessation	Reason
Mr. V. C. Nagori	April 1, 2008	NA	Appointment
Mr. D.K. Maloo	April 1, 2008	NA	Appointment
Mr. Apoorv Bajaj	November 5, 2009	NA	Appointment
Mr K.N Sharma	April 1, 2008	December 31, 2009	Resignation

Interest of Key Managerial Personnel

None of our key managerial personnel holds any of our Equity Shares. The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per the terms of their appointment, incentives payable as per policies of our Company and reimbursement of expenses incurred by them during the ordinary course of business.

None of our key managerial personnel have been paid any amount or benefit (non-salary related) from our Company in fiscal 2010. Except the contracts pursuant to which certain of our key managerial personnel have been seconded to our Company from our Group Entities, there is no arrangement or understanding with major shareholders, customers or suppliers of our Company, pursuant to which any of our key managerial personnel has been appointed as key managerial personnel of our Company.

Mr. Apoorv Bajaj is the brother of our Chairman, Mr. Kushagra Bajaj.

OUR PROMOTERS AND GROUP COMPANIES

Our Corporate Promoter

Bajaj Consumer Care Limited

Our Individual Promoters

Mr. Shishir Bajaj;
Mrs. Minakshi Bajaj;
Mr. Kushagra Bajaj; and
Mr. Apoorv Bajaj.



Mr. Shishir Bajaj

Mr. Shishir Bajaj, age 62 years.

His voter identification number is MT/04/024/258023, his driving license number is 88034/POR.

Address: 100, Mount Unique, 13th Floor, 62- A, Peddar Road, Mumbai- 400026.

Mr. Shishir Bajaj completed his MBA from the Stern School of Business, New York University. He is the chairman and managing director of Bajaj Hindusthan Limited and the chairman of BCCL. He is the president of the Mumbai chapter of the World Presidents Organisation and was the former president of the Indian Sugar Mills Association and ex-chairman of the Indian Sugar and General Industry Export Import Corporation Limited.



Mrs. Minakshi Bajaj

Mrs. Minakshi Bajaj, age 60 years.

She does not have a driver's license. Her voter identification number is ISD 0395037.

Address: 100, Mount Unique, 13th Floor, 62- A, Peddar Road, Mumbai- 400026.

Mrs. Minakshi Bajaj has obtained her Bachelor of Arts degree from the Calcutta University and is a director of Bajaj Trustee Company Private Limited and Roop Sugars Private Limited.



Mr. Kushagra Bajaj

Mr. Kushagra Bajaj, age 33 years is the Chairman and Non-Executive Director of our Company.

His voter identification number is ISD 1522259, his driving license number is MH0120090130545.

Address: 100, Mount Unique, 13th Floor, 62- A, Peddar Road, Mumbai- 400026.

For further details, see the section titled “Our Management” beginning on page 111 of this RHP.



Mr. Apoorv Bajaj

Mr. Apoorv Bajaj, age 29 years.

His voter identification number is ISD 1545920, his driving license number is MH019960534.

Address: 100, Mount Unique, 13th Floor, 62- A, Peddar Road, Mumbai- 400026.

For further details, see the section titled “Our Management” beginning on page 111 of this RHP.

We confirm that the permanent account number, bank account number and passport number of our individual Promoters, Mr. Shishir Bajaj, Mrs. Minakshi Bajaj, Mr. Kushagra Bajaj and Mr. Apoorv Bajaj has been submitted to the Stock Exchanges.

Details of our corporate Promoter

Bajaj Consumer Care Limited (“BCCL”)

BCCL was originally incorporated as the Deccan Ayurvedashram Pharmacy Limited on June 19, 1940 under the Indian Companies Act, 1913. It was issued a fresh certificate of incorporation dated March 21, 2001 pursuant to its change of name to BCCL. BCCL’s registered office is situated at 17-1-204-8, Saidabad, Hyderabad 500059, India. The promoter of BCCL is Shishir Bajaj Family Trust.

Principal business of BCCL

BCCL is authorised to carry on the business of druggists, drysalters, oil and colourmen, importers and manufacturers of and dealers in different classes of pharmaceutical, medicinal, chemical, industrial and other preparations and articles, patent medicines, mineral water, hair oil, cordials, restoratives, foods, drugs etc. BCCL owns various brands and immoveable assets at various places in India. Till 2008, BCCL was engaged in the business of manufacturing & trading of perfumed hair oils, cosmetics, toiletries and ayurvedic medicines under the Bajaj brand. In 2008 vide a Trademark License Agreement it licensed its brands to our Company.

Board of directors of BCCL as on date of this RHP

Name	Position
Mr.Shishir Bajaj	Chairman
Mr.Kushagra Bajaj	Vice Chairman
Mr.Roshan F. Hinger	Director
Mr.V.C.Nagori	Director
Mr.D.G.Samdani	Director

Shareholding pattern of BCCL as on date of this RHP

Sr. No.	Name	No. of shares held	Percentage (%)
1.	Mr. Shishir Bajaj jointly with Mr. Kushagra Bajaj jointly with Mrs. Minakshi Bajaj on behalf of the Shishir Bajaj Family Trust	99483	99.9528
2.	Mr. Shishir Bajaj	28	0.0281
3.	Mrs. Minakshi Bajaj and Mr. Shishir Bajaj	1	0.0010
4.	Mr. Kushagra Bajaj and Mr. Shishir Bajaj	7	0.0070
5.	Mr. Apoorv Bajaj and Mr. Shishir Bajaj	5	0.0050
6.	Mr. Shishir Bajaj jointly with Sheshagiri Rao	1	0.0010
7.	Mr. R.F. Hinger and Mr. Shishir Bajaj	1	0.0010
8.	Mr. V.C. Nagori and Mr. Shishir Bajaj	1	0.0010
9.	Mr. D.K. Maloo and Mr. Shishir Bajaj	1	0.0010
10.	Mr. R.B. Subramanyan and Mr. Shishir Bajaj	1	0.0010
11.	Mr. Pusha Lal Kucheriya	1	0.0010

Financial performance of BCCL on a standalone basis for the last three years

BALANCE SHEET AS ON MARCH

PARTICULARS	AS AT 31st MARCH 10	AS AT 31st MARCH 09	AS AT 31st MARCH 08
	Rs.	Rs.	Rs.
A. SOURCES OF FUNDS:			
1. Shareholder's Funds			
a) Share Capital	9,932,600	9,932,600	9,932,600
b) Reserves & Surplus	1,112,697,828	1,122,630,428	776,677,232
2. Loan Funds			
a) Secured Loans	-	-	0
b) Unsecured Loans	506,262,019	506,262,019	2,410,987
3. Deferred Tax Liabilities		2,380,108	6,769,712
TOTAL		1,631,272,555	795,790,531
B. APPLICATION OF FUNDS:			
1. Fixed Assets			
a) Gross Block	262,402,120	281,087,661	266,720,535
b) Less: Depreciation	129,803,137	132,741,284	116,368,934
c) Net Block		132,598,983	148,346,377
Capital Work in Progress		3,574,175	3,269,241
2. Investments		332,013,172	50,000,000
3. Current Assets, Loans & Advances			
a) Inventories	-	-	70,681,865
b) Sundry Debtors	858,425	1,552,990	8,322,857
c) Cash & Bank Balances	233,487,322	69,096,211	487,319,950
d) Loans & Advances	996,555,691	539,368,884	9,176,814
	1,230,901,438	610,018,085	575,501,486
Less: Current Liabilities & Provisions			
a) Liabilities	67,665,008	14,685,591	258,462,567
b) Provisions	150,205	1,157,581	19,657,081
	67,815,213	15,843,172	278,119,648
Net Current Assets		1,163,086,225	594,174,913
4. Miscellaneous Expenditure			
TOTAL		1,631,272,555	795,790,531
			733,024,483

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

PARTICULARS	For the year Ended March 2010		For the year Ended March 2009		For the year Ended March 2008	
	Rs.		Rs.		Rs.	
INCOME:						
Sales including Excise Duty	-		168,137,546		1,850,955,004	
Other Income	1,033,933,170		77,521,548		31,299,608	
	1,033,933,170	1,033,933,170	245,659,094	245,659,094	1,882,254,612	1,882,254,612
EXPENDITURE:	-		-			
Materials	-		82,206,921		824,479,459	
Salaries and wages	3,086,358		17,818,001		75,782,866	
Other Expenses	133,950,868		39,918,303		498,506,641	
Schemes & Freight	833,411		16,623,783		137,405,091	
Excise Duty	-		2,568,622		6,868,533	
Depreciation	13,810,993		16,643,901		18,492,713	
	151,681,630	151,681,630	175,779,531	175,779,531	1,561,535,303	1,561,535,303
Profit/(Loss) before Taxations		882,251,540		69,879,563		320,719,309
- Current Tax	-		6,600,000			36,200,000
- Wealth Tax	31,742		57,637			70,455
- Deferred Tax	(3,698,080)		(294,382)			-247,767
- Fringe Benefit Tax	-	(3,666,338)	562,363	6925618		1,082,031
Profit/(Loss) for the year		885,917,878		62,953,945		283,614,590
Less: Tax Adjustment relating to earlier years		187,802		25,584		1,056,822
Net Profit/(Loss) after Taxation		885,730,076		62,928,3 61		282,557,768
Balance Brought Forward		587,751,906		524,823,645		242,265,963
		1,473,481,982		587,752,006		524823731
APPROPRIATIONS:						
Interim Dividend on Equity Shares		550,400,900				
Proposed Dividend on Equity Shares		-				
Proposed Dividend on Preference Shares		85		85		73
Corporate Dividend Tax		18		15		13
Transferred to General Reserves		88,600,000		-		
Balance Carried to Balance-Sheet		834,480,979		587,751,906		524,823,645
Earning per Share (EPS)						
Basic & Diluted		8,899.13		632.26		2838.92

CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED

PARTICULARS	For the year Ended March 2010 Rs.	For the year Ended March 2009 Rs.	For the year Ended March 2008 Rs.
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Net Profit before taxation	882,251,540	69,879,563	320,719,309
Adjustments for:			
Depreciation	13,810,993	16,643,901	18,492,713
Interest Income	(6,052,471)	(41,589,188)	(26,855,914)
Dividend Income	(922,584,361)	(11,341,005)	(1,217,095)
Loss/(Profit) on sale of asset	(10,583,827)	(271,553)	280,183
Loss/(Profit) on sale of Investment	(651,878)	(2,350,049)	17,619,577
Operating profit before working capital changes	(43,810,004)	30,971,669	329,038,760
Adjustments for:			
(Increase)/decrease in Debtors	694,565	6,769,867	(4,730,575)
(Increase)/decrease in Inventory	-	70,681,865	(1,764,190)
(Increase)/decrease in Other Loan & Advances	(446,056,125)	(518,405,994)	10,836,696
Increase/(decrease) in Creditors	55,230,403	(206,032,672)	(32,566,265)
Increase/(decrease) in Other liabilities	(2,250,987)	(37,744,304)	(24,527,495)
Increase/(decrease) in Provisions	(1,007,207)	(18,499,600)	(30,516,416)
Cash generated from operations	(437,199,355)	(672,259,169)	245,770,528
Less: Direct taxes paid/deducted at source	11,350,228	19,031,660	38,296,586
NET CASH FROM/(USED) IN OPERATING ACTIVITIES	(448,549,583)	(691,290,829)	207,473,942
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
Purchase/Sale of fixed assets	12,215,293	(17,636,365)	(10,417,162)
Interest received	6,052,471	41,589,188	26,855,914
Dividend received	922,584,361	11,341,005	1,217,095
Purchase/ sale of Investment (Net)	(281,361,294)	237,641,093	(285,291,044)
NET CASH FROM/(USED) IN INVESTING ACTIVITIES	659,490,831	272,934,921	(267,635,197)
Sales Tax Defferment	23,507	132,169	121,195
Interest Paid			(17,619,577)
Proceeds from Short Term Loan	503,827,525		
Dividend & Dividend Tax paid	(550,401,169)		
NET CASH FROM /(USED) IN FINANCING ACTIVITIES	(46,550,137)	132,169	(17,498,382)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	164,391,111	(418,223,739)	(77,659,637)
CASH AND CASH EQUIVALENTS AS ON APRIL 01	69,096,211	487,319,950	564,979,587
CASH AND CASH EQUIVALENTS AS ON MARCH 31	233,487,322	69,096,211	487,319,950

Financial performance of BCCL on a consolidated basis for the last two years

PARTICULARS	AS AT 31st MARCH 10		AS AT 31st MARCH 09	
	Rs.	Rs.	Rs.	Rs.
A. SOURCES OF FUNDS:				
1. Shareholder's Funds				
a) Share Capital	9,932,600		9,932,600	
b) Reserves & Surplus	1,346,295,776	1,356,228,376	1,243,018,383	1,252,950,983
2. Minority Interest		2,553,515		-
3. Loan Funds				
a) Secured Loans	122,989,675		-	
b) Unsecured Loans	628,161,844	751,151,519	2,410,987	2,410,987
4. Deferred Tax Liabilities		2,953,593		4,621,248
TOTAL		2,112,887,003		1,259,983,218
B. APPLICATION OF FUNDS:				
1. Fixed Assets				
a) Gross Block	697,337,157		331,054,561	
b) Less: Depreciation	150,820,275		137,049,779	
c) Net Block		546,516,882		194,004,782
Capital Work in Progress		3,574,175		21,271,862
2. Investments		200,436,918		-
3. Current Assets, Loans & Advances				
a) Inventories	98,919,549		77,363,533	
b) Sundry Debtors	29,863,598		4,803,513	
c) Cash & Bank Balances	509,312,353		579,442,839	
d) Loans & Advances	1,004,625,790		628,723,026	
	1,642,721,290		1,290,332,911	
Less: Current Liabilities & Provisions				
a) Liabilities	254,003,162		216,935,952	
b) Provisions	49,385,924		29,239,091	
	303,389,086		246,175,043	
Net Current Assets		1,339,332,204		1,044,157,868
4. Miscellaneous Expenditure		23,026,824		548,706
TOTAL		2,112,887,003		1,259,983,218

Notes to the Accounts

PARTICULARS	For the year Ended		For the year Ended	
	31 st March 2010		31 st March 2009	
	Rs.	Rs.	Rs.	Rs.
INCOME:				
Sales including Excise Duty	3,299,972,304		2,612,356,606	

PARTICULARS	For the year Ended		For the year Ended	
	31 st March 2010		31 st March 2009	
	Rs	Rs.	Rs	Rs.
Other Income	135,404,115		73,307,673	
	3,435,376,419	3,435,376,419	2,685,664,279	2,685,664,279
EXPENDITURE:				
Materials	1,167,837,126		1,181,185,177	
Salaries and wages	141,654,575		130,775,451	
Other Expenses	814,961,370		525,335,513	
Schemes & Freight	307,661,025		226,004,305	
Excise Duty	-		2,568,622	
Depreciation	30,519,636		20,886,421	
	2,462,633,732	2,462,633,732	2,086,755,489	2,086,755,489
Profit/(Loss) before Taxations		972,742,687		598,908,790
- Current Tax	173,500,000		66,900,000	
- Wealth Tax	234,208		261,133	
- Deferred Tax	(976,131)		(2,598,846)	
- Fringe Benefit Tax	-	172,758,077	1,474,776	66,037,063
Profit/(Loss) for the year		799,984,610		532,871,727
Less: Tax Adjustment relating to earlier years		187,802		25,584
Net Profit/(Loss) after Taxation		799,796,808		532,846,143
Minority Interest		(117,637)		-
Net Profit after Minority Interest		799,914,445		532,846,143
Balance Brought Forward		1,054,110,213		524,189,045
		1,854,024,658		1,057,035,188
APPROPRIATIONS:				
Bonus Shares Issued		-		-
Interim Dividend on Equity Shares		550,400,900		-
Proposed Dividend on Equity Shares		-		2,500,000
Proposed Dividend on Preference Shares		85		85
Corporate Dividend Tax		156,354,018		424,890
Transferred to General Reserves		221,100,000		-
Balance Carried to Balance-Sheet		926,169,655		1,054,110,213
Earning per Share (Face Value Rs.10/ each)				
<i>(Please refer Schedule 12(J))</i>				
Basic		8,035.74		5,353.62
Diluted		8,035.74		5,353.62
No. of Shares		99,530		99,530
Notes to the Accounts				

CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED MARCH 31, 2010

	Amount (In Rs.)
1. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before taxation	972,742,687
Adjustments for:	
Depreciation	30,519,636
Misc expenditure written off	320,222
Interest Income	(109,228,018)
Dividend Income	(2,584,361)
Loss/(Profit) on sale of asset	(10,583,827)
Loss/(Profit) on sale of Investment	(2,570,486)
Operating profit before working capital changes	878,615,853
Adjustments for:	
(Increase)/decrease in Debtors	(25,060,085)
(Increase)/decrease in Inventory	(21,556,016)
(Increase)/decrease in Other Loan & Advances	(368,699,935)
Increase/(decrease) in Creditors	34,019,189
Increase/(decrease) in Other liabilities	3,048,021
Increase/(decrease) in Provisions	23,071,877
Cash generated from operations	523,438,904
Less: Direct taxes paid/deducted at source	181,124,839
NET CASH FROM/(USED) IN OPERATING ACTIVITIES	342,314,065
2. CASH FLOW FROM INVESTING ACTIVITIES	
Purchase/Sale of fixed assets	(354,750,222)
Interest received	109,228,018
Dividend received	2,584,361
Purchase/ sale of Investment (Net) (including investment in subsidiary)	(185,768,853)
NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(428,706,696)
3. CASH FLOW FROM FINANCING ACTIVITIES	
Sales Tax Differment	23,507
Proceeds from Loans availed	748,717,025
Dividend & Dividend Tax paid	(709,680,047)
Share Issue Expenses	(22,798,340)
NET CASH FROM /(USED) IN FINANCING ACTIVITIES	16,262,145
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(70,130,486)
CASH AND CASH EQUIVALENTS AS ON APRIL 01, 2009	579,442,839
CASH AND CASH EQUIVALENTS AS ON MARCH 31, 2010	509,312,353

Other information

BCCL is an unlisted company. BCCL is neither a sick company within the meaning of SICA nor is it under winding up.

We confirm that the permanent account number, bank account number, company registration number and the address of the RoC where BCCL is registered has been submitted to the Stock Exchanges.

Confirmations

None of our Promoter, Directors of persons in control of our Company was or is a Promoter, Director or person in control of any other company which is debarred from accessing the capital market under any order or direction made by SEBI.

Group Companies

In addition to our Promoters named above, the following companies form part of our Group Companies.

Indian Companies:

1. Bajaj Hindusthan Limited
2. Bajaj Hindusthan Sugar and Industries Limited
3. Bajaj Capital Ventures Private Limited
4. Roop Sugars Private Limited
5. Parvati Chinni Private Limited
6. Krishnavijay Paper and Boards Private Limited
7. Bajaj Energy Private Limited
8. Bajaj Eco-Tec Products Limited
9. Kartikeya properties Private Limited
10. Kashyap properties Private Limited
11. Bajaj Infrastructure Development Company Limited
12. Bajaj Trustee Company Private Limited
13. Bajaj Power Ventures Private Limited

Foreign Companies:

1. New Horizon Investments Limited Dubai
2. Golden Shore Investing FZE, Dubai
3. Golden Shore Investing Limited BVI
4. Bajaj Hindusthan (Singapore) Pte.
5. Bajaj International Participacoes Limitada Brazil.

Trusts:

1. Kushagra Trust
2. Kushagra Trust No.2
3. Apoorv Trust
4. Shishir Bajaj Family Trust

Hindu Undivided Family:

1. Shishir Bajaj HUF

Unless otherwise stated, no equity shares of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

A. Top five group companies

Pursuant to sub-clause (2) of clause (C) of (IX) of Part A of Schedule VIII of the ICDR Regulations, the relevant details of the Group Company listed on the BSE and the NSE is as provided below:

1. **Bajaj Hindusthan Limited (“BHL”)**

Corporate Information

BHL was originally incorporated as The Hindustan Sugar Mills Limited on November 24, 1931 under the Indian Companies Act, 1913. It was issued a fresh certificate of incorporation dated June 27, 1988 pursuant to its change

of name to BHL. BHL is primarily engaged in the business of manufacturing and dealing in all kinds of sugar and other related activities.

The equity shares of BHL are listed on the BSE and NSE.

Interest of the Promoters

As on the date of this RHP, our Promoters and Group Companies have 33.44 % interest in BHL.

Financial Performance

The audited financial results of BHL for the last three years are set forth below:

	<i>(Amount in Rs. million, except per share data)</i>		
	September 30, 2009	September 30, 2008	September 30, 2007
Equity Capital	176.86	141.41	141.41
Reserves and Surplus (excluding revaluation reserves)	22,570.75	13,309.60	14,201.90
Sales/Turnover	16,557.52	18,794.94	18,412.20
Profit/(loss) after tax	1,546.14	(501.72)	456.50
Earnings per share (in Rs.)	10.30	(3.55)	3.61
Diluted earnings per share (in Rs.)	9.39	(3.55)	3.61
Net asset value per share (in Rs.)	129.69	95.12	101.43

Information on Share Price

The equity shares of BHL are traded on the BSE and NSE. The details of the highest and lowest price on the BSE and the NSE during the preceding six months are as follows:

Period	BSE		NSE	
	High	Low	High	Low
June 2010	121.25	105.60	121.20	105.60
May 2010	126.70	98.80	126.65	98.00
April 2010	142.80	120.65	142.70	120.55
March 2010	168.45	133.00	167.60	132.20
February 2010	211.00	149.00	210.10	148.55
January 2010	242.90	187.75	242.75	187.50

(Source: BSE and NSE websites)

The closing share price of BHL as of June 30, 2010 on the BSE and the NSE were Rs. 116.85 and Rs. 116.95 respectively.

The market capitalization of BHL as of June 30, 2010 was Rs. 22,360 million on the BSE and 22,379 million on the NSE.

BHL received 82 investor complaints in the last three years and all 82 complaints were disposed in that period. As of the date of filing of this RHP, there were no pending investor complaints.

The company is not under winding up and does not have a negative network.

In July 2009, BHL issued equity shares by way of a qualified institutions placement wherein 35,450,000 shares were issued for a price aggregating to Rs. 7,231.8 million.

2. Bajaj Hindusthan Sugar and Industries Limited (“BHSIL”)

Corporate Information

BHSIL was originally incorporated as the Pratappur Sugar Mills Limited on July 24, 1971 under the Companies Act. It was issued a fresh certificate of incorporation dated July 25, 2006 pursuant to its change of name to BHSIL. BHSIL is primarily engaged in the business of manufacturing and dealing in all kinds of sugar and other related activities.

The equity shares of BHSIL are listed on the BSE.

Interest of the Promoters

As on the date of this RHP, our Promoters and Group Companies have 75 % interest in BHSIL.

Financial Performance

The audited financial results of BHSIL for the last three years are set forth below:

	<i>(Amount in Rs. million, except per share data)</i>		
	September 30, 2009	September 30, 2008	September 30, 2007
Equity Capital	118.00	118.00	56.00
Reserves and Surplus (excluding revaluation reserves)	3,059.04	2,574.80	442.20
Sales/Turnover	3,603.01	3,230.16	724.86
Profit/(loss) after tax	(89.29)	(757.48)	(251.10)
Earnings per share (in Rs.)	(0.76)	(7.31)	(5.59)
Diluted earnings per share (in Rs.)	(0.76)	(7.31)	(2.49)
Net asset value per share (in Rs.)	26.92	24.19	61.23

Information on Share Price

The equity shares of BHSIL are traded on the BSE. The details of the highest and lowest price on the BSE during the preceding six months are as follows:

Period	BSE	
	High	Low
June 2010	25.95	15.25
May 2010	19.45	14.70
April 2010	21.95	17.85
March 2010	25.00	18.40
February 2010	29.80	19.00
January 2010	37.65	24.50

(Source: BSE website)

The closing share price of BHSIL as of June 30, 2010 on the BSE was Rs. 21.90.

The market capitalization of BHSIL as of June 30, 2010 was Rs. 2,584 million on the BSE.

The company is not under winding up and does not have a negative network.

BHSIL received 68 investor complaints in the last three years and all 68 complaints were disposed in that period. As of the date of filing of this RHP, there were no pending investor complaints.

Pursuant to sub-clause (2) of clause (C) of (IX) of Part A of Schedule VIII of the ICDR Regulations, the relevant details of the remaining largest unlisted Group Companies as determined on the basis of their turnovers are as provided below:

3. Bajaj Eco- Tec Products Limited (“BETPL”)

Corporate Information

BEPTL was originally incorporated as BHP Agro Products Private Limited on April 25, 2006 under the Companies Act. It was issued a fresh certificate of incorporation dated October 3, 2006 pursuant to its change of name to Bajaj Eco Tec Private Limited. BETPL is primarily engaged in the business of the manufacture and production of all kinds of fiber boards and other related activities.

Interest of the Promoters

BEPTL is a wholly owned subsidiary of BHL, our Group Company.

Financial Performance

The audited financial results of BEPTL for the last three years are set forth below:

	<i>(Amount in Rs. million, except per share data)</i>		
	March 31, 2009	March 31, 2008*	September 30, 2007
Equity Capital	115.00	90.00	90.00
Reserves and Surplus (excluding revaluation reserves)	1,034.10	809.10	809.10
Sales/Turnover	594.50	-	-
Profit/(loss) after tax	(739.51)	-	-
Earnings per share (in Rs.)	(67.40)	-	-
Diluted earnings per share (in Rs.)	(67.40)	-	-
Net asset value per share (in Rs.)	35.62	99.90	90.90

*The financial year of BETPL was changed from September to March vide board meeting dated December 12, 2007.

4. Bajaj Capital Ventures Private Limited (“BCVPL”)

Corporate Information

BCVPL was originally incorporated as Anunita Investments Private Limited on May 3, 1994 under the Companies Act. It was issued a fresh certificate of incorporation dated January 22, 2009 pursuant to its change of name to BCVPL. BCVPL is primarily engaged in the business of an investment company and other related activities.

Interest of the Promoters

As on the date of this RHP, our Promoters and Group Companies have 100 % interest in BCVPL.

Financial Performance

The audited financial results of BCVPL for the last three years are set forth below:

	<i>(Amount in Rs. million, except per share data)</i>		
	March 31, 2009	June 30, 2008	March 31, 2007
Equity Capital	100.00	50.00	0.10
Reserves and Surplus (excluding revaluation reserves)	956.40	0.06	0.06
Sales/Turnover	32.80	27.03	0.41
Profit/(loss) after tax	(47.70)	3.03	(6.53)
Earnings per share (in Rs.)	(74.68)	199.41	(6,534.00)
Diluted earnings per share (in Rs.)	(74.68)	199.41	(6,534.00)
Net asset value per share (in Rs.)	1,005.50	93.78	18,802.43

The financial year of BCVPL was extended from March 31, 2008 to June 30, 2008 vide a board meeting dated March 17, 2008.

5. Bajaj Infrastructure Development Company Limited (“BIDCL”)

Corporate Information

BIDCL was originally incorporated as Brahmavijay Properties Private Limited on June 16, 2006 under the Companies Act. It was issued a fresh certificate of incorporation dated June 27, 2007 pursuant to its change of name to BIDCL. BIDCL is primarily engaged in the business of building and construction of all types of structures and other related activities.

Interest of the Promoters

BIDCL is a wholly owned subsidiary of BCVPL, our Group Company.

Financial Performance

The audited financial results of BIDCL for the last three years are set forth below:

	<i>(Amount in Rs. million, except per share data)</i>		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Capital	50.00	50.00	0.20
Reserves and Surplus (excluding revaluation reserves)	-	0.64	-
Sales/Turnover	1.39	1.10	-
Profit/(loss) after tax	(5.38)	0.65	(0.01)
Earnings per share (in Rs.)	(1.08)	0.13	(0.65)
Diluted earnings per share (in Rs.)	(1.08)	0.13	(0.65)
Net asset value per share (in Rs.)	9.05	10.12	8.83

B. Companies with negative net worth:

Except as disclosed below, none of our Group Companies have a negative networkth.

1. Roop Sugars Private Limited (“RSPL”)

RSPL was incorporated under the Companies Act on May 6, 2004. RSPL is involved in the business of manufacturing and producing sugar and other related activities. Our Promoters and Group Companies have 100 % interest in RSPL.

Financial Performance

The audited financial results of RSPL for the last three years are set forth below:

	<i>(Amount in Rs. million, except per share data)</i>		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Capital	0.10	0.10	0.10
Reserves and Surplus (excluding revaluation reserves)	-	-	-
Sales/Turnover	-	-	-
Profit/(loss) after tax	(0.02)	0.03	(0.03)
Earnings per share (in Rs.)	(2.17)	3.09	(2.83)
Diluted earnings per share (in Rs.)	(2.17)	3.09	(2.83)
Net asset value per share (in Rs.)	(1.62)	(0.03)	2.47

Note:- As on March 31, 2009 RSPL had a P&L debit balance of Rs.0.12mn and Rs.0.09mn as on March 31, 2008.

C. Other Group Companies

1. Parvati Chinni Private Limited (“PCPL”)

PCPL was incorporated under the Companies Act on May 5, 2004. PCPL is involved in the business of manufacturing and producing sugar and other related activities. Our Promoters and Group Companies have 99.90 % interest in PCPL.

2. Krishnavijay Paper and Boards Private Limited (“KPBPL”)

KPBPL was incorporated under the Companies Act on April 21, 2006. KPBPL is involved in the business of manufacturing and processing paper products and other related activities. Our Promoters and Group Companies have 99.90 % interest in KPBPL.

3. Bajaj Energy Private Limited (“BEPL”)

BEPL was originally incorporated as Bajaj Eco-Chem Products Private Limited on June 27, 2008 under the Companies Act. BEPL was issued a fresh certificate of incorporation dated March 19, 2010 pursuant to its change of name to BEPL. BEPL is involved in the business of manufacturing and producing chemicals and chemical compounds and other related activities. BEPL is a wholly owned subsidiary of BHL, our Group Company.

4. Kartikeya Properties Private Limited (“KP”)

KP was incorporated under the Companies Act on June 14, 2006. KP is involved in the business of building and construction of all types of structures and other related activities. Our Promoters and Group Companies have 100 % interest in KP.

5. Kashyap Properties Private Limited (“KPPL”)

KPPL was incorporated under the Companies Act on June 16, 2006. KPPL is involved in the business of construction and development and other related activities. Our Promoters and Group Companies have 100 % interest in KPPL.

6. Bajaj Power Ventures Private Limited (“BPVPL”)

BPVPL was incorporated under the Companies Act on May 8, 2010. BPVPL is involved in the business of generating and dealing in electrical power and other related activities. Our Promoters and Group Companies have 100% interest in BPVPL.

7. Bajaj International Participacoes Limited (“BIPL”)

BIPL was incorporated on August 4, 2006 in Brazil. BIPL was set up to target opportunities in the sugar/alcohol sector to leverage our strengths for the domestic and export markets. BIPL is a wholly owned subsidiary of BHL, our Group Company.

8. Bajaj Trustee Company Private Limited (“BTCPL”)

BTCPL was incorporated under the Companies Act on March 24, 2009. BTCPL is involved in the business of acting as trustees and other related activities. Our Promoters have all the voting rights in BTCPL.

9. New Horizon Investments Limited Dubai (“NHILD”)

NHILD was incorporated on August 13, 2003 in Dubai, U.A.E. NHILD is involved in the business of investing in property and international trading. Our Promoters and Group Companies have 100% interest in NHILD.

10. Golden Shore Investing FZE Dubai (“GSID”)

GSID was incorporated on September 3, 2005 in Dubai, U.A.E. GSID is involved in the business of trading in agricultural products and other related activities. GSID is a wholly owned subsidiary of GSIL, our Group Company.

11. Golden Shore Investing Limited BVI (“GSIL”)

GSIL was incorporated on February 15, 2005 in the British Virgin Islands. GSIL is involved in the business of dealing in commodities internationally and other activities. Our Promoters and Group Companies have 100 % interest in GSIL.

12. Bajaj Hindustan (Singapore) Pte. (“BHS”)

BHS was incorporated on May 25, 2007 in Singapore. BHS is involved in the business of leveraging foreign business opportunities. BHS is yet to commence its business operations. BHS is a wholly owned subsidiary of BHL, our Group Company.

13. Kushagra Trust

The Kushagra Trust was formed vide deed dated July 3, 1978. Mr. Kushagra Bajaj is the beneficiary of this trust.

14. Kushagra Trust No. 2

The Kushagra Trust No. 2 was formed vide deed dated October 19, 1981 and amended vide a variation trust deed dated March 13, 1995. Mr. Kushagra Bajaj is the beneficiary of this trust.

15. Apoorv Trust

The Apoorv Trust was formed vide deed dated February 4, 1982 and amended vide a variation trust deed dated March 13, 1995. Mr. Apoorv Bajaj is the beneficiary of this trust.

16. Shishir Bajaj Family Trust

The Shishir Bajaj Family Trust was formed vide deed dated September 15, 2009. The Shishir Bajaj family, Kushagra Bajaj family and Apoorv Bajaj family are the beneficiaries of this trust.

17. Shishir Bajaj HUF

Disassociation by our Promoter in the last three years

Except as disclosed below, our Promoters have not disassociated from any other company / firm in the last three years.

Promoter	Name of the company / firm from which our Promoter has disassociated	Reasons for disassociation	Date of disassociation
Mr. Shishir Bajaj	Bajaj Sevashram Private Limited	Resolution of Bajaj family dispute	December 20, 2008
	Bachhraj and Company Limited	Resolution of Bajaj family dispute	December 20, 2008
	Jamnalal and Sons Private Limited	Resolution of Bajaj family dispute	December 20, 2008
	Kamalnayan Investment and Trading Private Limited	Resolution of Bajaj family dispute	December 20, 2008
	Shishir Holdings Private Limited	Resolution of Bajaj family dispute	December 20, 2008
	Hindusthan Housing Company Limited	Resolution of Bajaj family dispute	December 20, 2008

Promoter		Name of the company / firm from which our Promoter has disassociated	Reasons for disassociation	Date of disassociation
		Mukand Limited	Resolution of Bajaj family dispute	December 20, 2008
		Bajaj Electricals Limited	Resolution of Bajaj family dispute	December 20, 2008
		Bachhraj Trading Company	Resolution of Bajaj family dispute	December 20, 2008
		Bajaj Trading Company	Resolution of Bajaj family dispute	December 20, 2008
		Anant Trading Company	Resolution of Bajaj family dispute	December 20, 2008
Mrs. Minakshi Bajaj		Bajaj Sevashram Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Shishir Holdings Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Bajaj Electricals Limited	Resolution of Bajaj family dispute	December 20, 2008
		Mukand Limited	Resolution of Bajaj family dispute	December 20, 2008
		Hindustan Housing Company Limited	Resolution of Bajaj family dispute	December 20, 2008
Mr. Kushagra Bajaj		Bajaj International Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Bajaj Sevashram Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Shishir Holdings Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Bajaj Electricals Limited	Resolution of Bajaj family dispute	December 20, 2008
		Hindustan Housing Company Limited	Resolution of Bajaj family dispute	December 20, 2008
Mr. Apoorv Bajaj		Kamalnayan Investment and Trading Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Hind Musafir Agency Limited	Resolution of Bajaj family dispute	December 20, 2008
		Bajaj Sevashram Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Kamalnayan Investment and Trading Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Shishir Holdings Private Limited	Resolution of Bajaj family dispute	December 20, 2008
		Mukand Limited	Resolution of Bajaj family dispute	December 20, 2008

Interests of our Promoters and Group Companies

None of our Promoter, Directors of persons in control of our Company was or is a Promoter, Director or person in control of any other company which is debarred from accessing the capital market under any order or direction made by SEBI. Promoters are interested in our Company to the extent that they have promoted our Company, their shareholding in our Company and to the extent of their being directors in our Company.

Except as disclosed, our Promoters and Group Companies have no interest in any property acquired or proposed to be acquired by our Company during the last two years from the date of filing of this RHP.

Except as stated above, none of our Promoters, Group Companies or associates have any business interests in our Company and our Promoters have no interest in our Company other than as promoters.

There are no sales/purchases between our Company and our Group Companies and associate companies when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Also see the section titled “**Our Management – Interests of our Directors**” beginning on page 115 of this RHP.

Common pursuits of the Promoters and Group Companies

Except as set forth above and in the section titled “**Financial Statements**” beginning on page 139, we have not entered into any related party transactions that impact the financial performance of our Company.

Payment of benefits to our Promoters

Except as disclosed in the section titled “**Financial Statements**” beginning on page 139 of this RHP, there has been no payment of benefits to our Promoters during the two years prior to the filing of this RHP.

Other Confirmations

Our Promoters, directors of our Promoters, directors of our Group Companies and Group Companies have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and, except as disclosed in the section titled “**Outstanding Litigation and Material Developments**” beginning on page 168 of this RHP, there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

For details relating to legal proceedings involving the Promoter and the Group Companies, see the section titled “**Outstanding Litigation and Material Developments**” beginning on page 168 of this RHP.

Neither our Promoter nor our Group Companies have become sick companies under the Sick Industrial Companies Act, 1985 and no winding up proceedings have been initiated against them. Further no application has been made, in respect of any of them, to the Registrar of Companies for striking off their names. Additionally, neither our Promoters nor any of the Group Companies have become defunct in the five years preceding the filing of this RHP.

DIVIDEND POLICY

The declaration and payment of dividend is recommended by the Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. The Board may also from time to time pay interim dividend. All dividend payments are made in cash to the shareholders of our Company.

The dividends declared by our Company in fiscal 2008, 2009 and 2010 are specified below:

Particulars	Year ended March 31,			
	2007	2008	2009	2010
Amount of Dividend paid	Nil	Nil	2,500,000*	
Amount of Interim Dividend paid	Nil	Nil		700,000,000**
				220,000,000***

* Pursuant to our shareholders' resolution dated September 29, 2009, our Company has declared a dividend of Rs.0.50/- per share on 5,000,000 Equity Shares of face value of Rs. 10/- each being 5% of the total paid up capital of our Company.

**Pursuant to the resolution passed by the Board of Directors on December 19, 2009, our Company has declared an interim dividend of Rs. 7/- per share on 100,000,000 Equity Shares of face value of Re. 1/- each being 700% of the total paid up capital of our Company.

***Pursuant to the resolution passed by the Board of Directors on March 18, 2010, our Company has declared an interim dividend of Rs. 8.80/- per share on 25,000,000 Equity Shares of face value of Rs. 5/- each being 176% of the total paid up capital of our Company.

Investors should note that amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts in the future.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

AUDITORS REPORT ON RESTATED FINANCIAL STATEMENTS

To,
The Board of Directors
Bajaj Corp Limited
221, Solitaire Corporate Park
151, M, Vasanji Road,
Chakala, Andheri (East)
Mumbai- 400 093

Dear Sirs

Re: Proposed initial public offer of equity shares for cash, at an issue price to be arrived at by the book building process

We have examined the financial information of Bajaj Corp Limited ('the Company') annexed hereto with this report for the purpose of inclusion in the Red Herring Prospectus ('RHP'). The financial information has been prepared in accordance with Paragraph B(I) of Part II of Schedule II of the Companies Act, 1956 ("the Act"), the Securities and Exchange Board of India ('SEBI') – Issue of capital and Disclosure Requirements Regulations, 2009 (the 'ICDR Regulations'), the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India ('ICAI') and terms of engagement agreed upon by us with the Company. The information has been prepared by the Company and approved by the Board of Directors.

A. Financial Information as per Audited Financial Statements:

We have examined:

- (i) the attached restated Statements of Assets and Liabilities as at March 31, 2010, March 31, 2009, March 31, 2008, and March 31, 2007 (Annexure1);
- (ii) the attached restated Statements of Profit and Loss for the financial years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 (Annexure2);
- (iii) the attached restated Statements of Cash Flow for the financial years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 (Annexure3);
- (iv) the significant accounting policies adopted by the Company as at and for the year ended March 31, 2010 and notes to the Restated Summary Statements (Annexure4)

- collectively referred to as the 'Restated Summary Statements'

The Restated Summary Statements have been extracted from audited financial statements of the Company as at and for the years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 which have been approved by the Board of Directors. Audit of the financial statements as at and for the year ended March 31, 2007 was conducted by M/s. Hemant Panpalia & Co., Chartered Accountants, being the auditor of the Company for that period, and accordingly reliance has been placed on the financial statements audited and reported upon by them for the said period.

Based on our examination and in accordance with the requirements of the Act, ICDR Regulations and terms of engagement agreed by us with the Company we state that the Restated Summary Statements are as set out in Annexure 1 to 4, which are to be read with the significant accounting policies and notes thereon in Annexure 4. There are no extra-ordinary items in any of the financial statements that need to be disclosed separately in the Restated Summary Statements.

B. Other Financial Information as per Audited Financial Statements:

We have also examined the following financial information relating to the Company, which is based on the Restated Summary Statements / audited financial statements and approved by the Board of Directors for the purpose of inclusion herein:

- (i) Restated details of Other Income (Annexure 5);
- (ii) Restated Statement of Accounting Ratios (Annexure 6);
- (iii) Restated Capitalization Statement (Annexure 7);
- (iv) Restated Summary of Sundry Debtors (Annexure 8);
- (v) Statement of Tax Shelter (Annexure 9);
- (vi) Restated summary of Secured and Unsecured Loans (Annexure 10);
- (vii) Restated details of Loans and Advances (Annexure 11);
- (viii) Summary of Investments (Annexure 12);
- (ix) Statement of significant transactions with related parties (Annexure 13); and
- (x) Statement of rates of dividend (Annexure 14)

In respect of the 'other Financial Information' stated above we have relied upon the audited financial statements for the financial year ended March 31, 2007 which were audited and reported by M/s. Hemant Panpalia & Co, Chartered Accountants as stated above.

In our opinion, the financial information of the Company attached to this report, as mentioned in paragraph (B) above, read with significant accounting policies and notes as annexed to this report, and after making such adjustments as were considered appropriate, has been prepared in accordance with Part II (B) of Schedule II of the Act and the ICDR Regulations.

This report should not in any way be construed as a reissuance or redating of the previous audit report by the other firm of Chartered Accountants nor should this be construed as a new opinion on any of the financial statements referred to herein.

We did not perform audit tests for the purposes of expressing an opinion on individual balances or summaries of selected transactions, and accordingly, we express no such opinion thereon.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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

For R. S. Dani & Company
Chartered Accountants

C.P. Kothari
Partner
Membership No. - 72229
Place: Ajmer
Date: June 30, 2010

ANNEXURE: 1

RESTATED STATEMENT OF ASSETS & LIABILITIES

(Rs in Millions)

PARTICULARS	As on 31st March			
	2007	2008	2009	2010
A. Fixed Assets				
Gross Block	0.00	27.51	49.97	196.37
Less: Accumulated Depreciation	0.00	0.07	4.31	12.75
Net Fixed Asset	-	27.45	45.66	183.62
Less: Revaluation Reserves	-	0.00	0.00	0.00
Net Fixed Asset after Revaluation Reserves	-	27.45	45.66	183.62
Capital Work in Progress	-	8.51	18.00	0.00
TOTAL (A)	-	35.96	63.66	183.62
B. Investments	-	-	-	21.01
C. Deferred Tax Assets	-	(0.16)	2.15	(0.57)
D. Current Assets, Loans & Advances				
Inventories	-	-	77.36	98.92
Sundry Debtors	-	-	3.25	29.00
Cash & Bank Balances	0.10	13.18	510.35	167.52
Loans & Advances	-	1.99	88.80	24.81
TOTAL (D)	0.10	15.17	679.76	320.25
E. Liabilities & Provisions				
Secured Loans		-	-	-
Unsecured Loans	0.03	-	-	-
Current Liabilities	0.01	1.79	201.83	215.17
Provisions	-	0.19	27.95	53.04
TOTAL (E)	0.04	1.98	229.78	268.21
F. Net Worth (A+B+C+D-E)	0.06	48.99	515.79	256.10
G. Represented By				
Equity Share Capital	0.10	50.00	50.00	125.00
Reserves & Surplus	(0.02)	(0.65)	466.34	154.12
Revaluation Reserves	-	-	-	-
Total	0.08	49.35	516.34	279.12
Less: Misc expenditure	0.02	0.36	0.55	23.02
Net Worth	0.06	48.99	515.79	256.10

ANNEXURE: 2
RESTATED STATEMENT OF PROFIT & LOSS ACCOUNT
(Rs in Millions)

PARTICULARS	For the year Ended on			
	31.03.2007	31.03.2008	31.03.2009	31.03.2010
INCOME:				
Sales				
- Manufactured	-	-	1,492.00	2,802.28
- Traded	-	-	952.22	497.68
Total	-	-	2,444.22	3,299.96
Other Income	-	0.01	17.65	51.34
Increase/(Decrease) in Inventories	-	-	58.39	(2.61)
Total Income	-	0.01	2,520.26	3,348.69
EXPENDITURE:				
Materials				
- Material Consumed	-	-	668.09	951.55
- Purchase of Traded Goods	-	-	478.95	201.36
Manufacturing Expenses	-	-	10.32	12.32
Staff Costs	-	-	112.96	138.57
Administrative & Other Expenses	0.02	0.09	21.23	29.70
Selling & Distribution Expenses	-	-	694.69	989.57
Finance Cost	-	0.06	0.58	1.31
Depreciation & Amortization	-	0.16	4.40	8.76
Total Expenditure	0.02	0.30	1,991.23	2,333.14
Profit Before Tax & Extra Ordinary Items	(0.02)	(0.29)	529.03	1,015.55
Taxation	-	0.35	59.11	176.42
Profit Before Extra Ordinary Items	(0.02)	(0.63)	469.92	839.13
Extra Ordinary Items	-	-	-	-
Profit After Tax & Extra Ordinary Items	(0.02)	(0.63)	469.92	839.13
Balance brought forward from previous year	-	(0.02)	(0.65)	466.34
Net Profit Available for Appropriation	(0.02)	(0.65)	469.27	1,305.47
Appropriation:				
Proposed/Interim Dividend on Equity Shares	-	-	2.50	920.00
Tax on Dividend	-	-	0.43	156.35
Transfer to General Reserves	-	-	-	132.50
Capitalized during the year for Bonus Shares	-	-	-	75.00
Balance carried forward as restated	(0.02)	(0.65)	466.34	21.62

ANNEXURE: 3
RESTATED STATEMENT OF CASH FLOW
(Rs in Millions)

PARTICULARS	As on 31st March			
	2007	2008	2009	2010
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before taxation	(0.02)	(0.29)	529.03	1,015.55
Adjustments for:				
Depreciation	0.00	0.07	4.24	8.44
Misc. Expenditure written off	0.01	0.09	0.16	0.32
Interest Income			(12.00)	(45.97)
Dividend Income			(0.87)	0.00
Loss/(Profit) on sale of Investment			(2.80)	(1.92)
Operating profit before working capital changes	(0.01)	(0.13)	517.76	976.42
Adjustments for:				
(Increase)/decrease in Debtors			(3.25)	(25.75)
(Increase)/decrease in Inventory			(77.36)	(21.55)
(Increase)/decrease in Other Loan & Advances		(0.99)	(87.23)	63.99
Increase/(decrease) in Creditors	0.01	0.01	132.37	7.62
Increase/(decrease) in Other liabilities			68.09	5.72
Increase/(decrease) in provisions			25.16	24.08
Cash generated from operations	0.00	(1.10)	575.53	1,030.53
Less: Direct taxes paid/deducted at source			61.74	169.77
NET CASH FROM/(USED) IN OPERATING ACTIVITIES	0.00	(1.10)	513.80	860.76
CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase)/Sale of fixed assets		(35.26)	(31.95)	(128.40)
Interest received			12.00	45.97
Dividend received			0.87	0.00
(Purchase)/ sale of Investment (Net)			2.80	(19.09)
NET CASH FROM/(USED) IN INVESTING ACTIVITIES	0.00	(35.26)	(16.27)	(101.52)
CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Share Capital	0.10	49.90		
Share Issue Expenses		(0.43)	(0.35)	(22.79)
Repayment of Loan		(0.03)		0.00
Payment of Dividend & Dividend Tax				(1,079.28)
NET CASH FROM /(USED) IN FINANCING ACTIVITIES	0.10	49.44	(0.35)	(1,102.07)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	0.10	13.08	497.17	(342.83)
OPENING CASH AND CASH EQUIVALENTS		0.10	13.18	510.35
CLOSING CASH AND CASH EQUIVALENTS	0.10	13.18	510.35	167.52

ANNEXURE: 4

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED STATEMENTS OF ASSETS AND LIABILITIES, PROFITS AND LOSSES AND CASH FLOWS AS AT FOR THE PERIOD ENDED DECEMBER 31, 2009 (RESTATED SUMMARY STATEMENT):

A. SIGNIFICANT ACCOUNTING POLICIES:

(i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

(ii) FIXED ASSETS

Fixed assets are reflected in the accounts at historical cost less accumulated depreciation.

(iii) DEPRECIATION

Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

(iv) REVENUE RECONGNITION

Income and Expenditure of all "Material Items" are accounted on accrual basis.

(v) INVENTORIES

Inventories are valued at cost. Finished goods and Goods in Process are valued at lower of cost or Market/Net realizable value.

(vi) INVESTMENTS

All the investments are current investments and are held at lower of cost and NAV/ Market Value.

(vii) PRELIMINARY & SHARE ISSUE EXPENSES

One fifth of the preliminary & share issue expenses have been written off during the year.

(viii) CONTINGENT LIABILITIES

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable will be recognized in accounts. There is no contingent liability against the company.

(ix) RETIREMENT BENEFIT

- a) Gratuity: The Company has taken Employee Group Gratuity-Cum-Life Assurance Policy of L.I.C. of India for covering accruing liability and the premium paid/payable on such policy is charged to Profit & Loss Account.
- b) Superannuation: Contribution to Superannuation fund is being made to LIC as per scheme of the Company.
- c) Provident Fund: Employees own and Employer's Contribution are paid to the Government Provident Fund Authority.

- d) Employee Pension Scheme: Contribution to Employee's Pension Scheme 1995 is made to the Government Provident Fund Authority.

(x) FOREIGN CURRENCY TRANSACTION

Transactions in foreign currency are recorded at exchange rate prevailing on the date of the transaction. Exchange rate differences resulting from foreign exchange transactions settled during the period are recognized in the Profit and Loss Account.

(xi) INCOME TAX AND DEFERRED TAXATION

The liability of company on account of Income Tax is estimated considering the provisions of the Income Tax Act, 1961. Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent year.

B. NOTES ON THE RESTATED ACCOUNTS

I. There have been no changes in accounting policies during the reported period.

II. Material Adjustments - There has been no material adjustments in restated profit & Loss Account as compared to Audited Accounts.

III. Payment to Auditors

(Rs in Millions)

PARTICULARS	For the year ended on 31st March			
	2007	2008	2009	2010
(i) For Statutory Audit	0.00	0.02	0.01	0.33
(ii) For Tax Audit			0.00	0.11
(iii) For other services				0.55
(iv) Out of pocket expenses			0.03	0.10

IV. Statement of raw material consumed:

(Rs in Millions)

PARTICULARS	For the year Ended on							
	31.03.2007		31.03.2008		31.03.2009		31.03.2010	
	Qty (Tons)	Amount	Qty (Tons)	Amount	Qty (Tons)	Amount	Qty (Tons)	Amount
Refined Oil:								
Opening Stock	-	-	-	-	-	-	16.51	0.83
Purchases	-	-	-	-	1,009.77	63.17	1,801.37	93.95
Consumption	-	-	-	-	993.26	62.34	1,743.51	90.96
Closing Stock	-	-	-	-	16.51	0.83	74.37	3.82
Light Liquid Paraffin:								
Opening Stock	-	-	-	-	-	-	33.96	1.38
Purchases	-	-	-	-	3,566.87	251.23	6,310.68	281.04
Consumption	-	-	-	-	3,532.91	249.85	6,262.29	278.65
Closing Stock	-	-	-	-	33.96	1.38	82.35	3.77
Perfumes & Others:								
Opening Stock	-	-	-	-	-	-	7.95	5.88
Purchases	-	-	-	-	103.04	63.49	188.73	107.42
Consumption	-	-	-	-	95.09	57.61	166.25	96.53
Closing Stock	-	-	-	-	7.95	5.88	30.43	16.77

PARTICULARS	For the year Ended on							
	31.03.2007		31.03.2008		31.03.2009		31.03.2010	
	Qty (Tons)	Amount	Qty (Tons)	Amount	Qty (Tons)	Amount	Qty (Tons)	Amount
Total:								
Opening Stock	-	-	-	-	-	-	58.42	8.09
Purchases	-	-	-	-	4,679.68	377.89	8,300.78	482.41
Consumption	-	-	-	-	4,621.26	369.80	8,172.05	466.14
Closing Stock	-	-	-	-	58.42	8.09	187.15	24.36

V. Details of production, stock & turnover:

(i) Manufactured Goods:

(Rs in Millions)

PARTICULARS	For the year Ended on							
	31.03.2007		31.03.2008		31.03.2009		31.03.2009	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Hair Oil (Qty in K. Ltrs.)								
Opening Stock	-	-	-	-	-	-	291.08	36.41
Production	-	-	-	-	5,359.58	-	9,489.26	-
Sale	-	-	-	-	5,068.50	1,492.00	9,422.85	2,802.28
Closing Stock	-	-	-	-	291.08	36.41	357.49	36.10

(ii) Traded Goods:

(Rs in Millions)

PARTICULARS	For the year Ended on							
	31.03.2007		31.03.2008		31.03.2009		31.03.2010	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Hair Oil (Qty in K. Ltrs.)								
Opening Stock	-	-	-	-	-	-	151.41	19.11
Purchases	-	-	-	-	3,471.95	472.13	1,698.26	191.08
Sale	-	-	-	-	3,320.54	937.98	1,714.09	480.02
Closing Stock	-	-	-	-	151.41	19.11	135.58	15.99
Tooth Powder (Qty in M.T):								
Opening Stock	-	-	-	-	-	-	11.54	1.36
Purchases	-	-	-	-	89.82	10.82	94.80	10.28
Sale	-	-	-	-	78.28	14.10	96.48	17.66
Closing Stock	-	-	-	-	11.54	1.36	9.86	1.14

VI. Segment reporting:

The company's is engaged in cosmetics and its operations fall within a single segment as defined by Accounting Standard (AS) 17 "Segment Reporting" prescribed by the Companies (Accounting Standards) Rules, 2006.

VII. Previous period figures have been regrouped wherever necessary, to make them comparable.

VIII. There is no contingent liability against the Company.

IX. Payment to whole time directors

(Rs in Millions)

PARTICULARS	For the year ended on 31st March			
	2007	2008	2009	2010
(i) Salary & Allowances	0.00	0.00	25.16	20.84
(ii) Monetary Value of Perquisites	0.00	0.00	1.61	0.73

ANNEXURE: 5

DETAILS OF OTHER INCOME

(Rs in Millions)

PARTICULARS	As on 31st March			
	2007	2008	2009	2010
Other Income	-	0.01	17.65	51.34
Net profit before tax, as stated	(0.02)	(0.29)	529.03	1,015.55
Percentage	0.00%	-3.11%	3.34%	5.06%

SOURCES OF INCOME	As on 31st March				Nature
	2007	2008	2009	2010	
Interest received on					
- Inter Corporate Deposits	-	-	5.26	31.41	NR
- Bank Deposits	-	0.01	6.71	14.56	R
- Loan to employees	-	-	0.03	0.01	NR
- Others	-	-	-	-	NR
Dividend received on trade investments	-	-	0.87	-	NR
Dividend received on non-trade investments	-	-	-	-	NR
Profit/(Loss) on sale of investments	-	-	2.80	1.92	NR
Profit/(Loss) on sale of fixed assets	-	-	-	-	NR
Cash discount received	-	-	1.71	3.04	R
Miscellaneous Income	-	-	0.27	0.40	NR
Total	-	0.01	17.65	51.34	

R: Recurring

NR: Non recurring

ANNEXURE: 6

ACCOUNTING RATIOS

Particulars	For the year ended on 31st March							
	2007		2008		2009		2010	
	Pre Split, Consolidation & Bonus	Post Split, Consolidation & Bonus	Pre Split, Consolidation & Bonus	Post Split, Consolidation & Bonus	Pre Split, Consolidation & Bonus	Post Split, Consolidation & Bonus	Pre Split, Consolidation & Bonus	Post Split, Consolidation & Bonus
Adjusted basic & diluted earning per share (Rs.)	-1.70	0.00	-6.03	-0.04	93.98	18.80	167.83	33.57
Return on net worth %	-28.66%	-28.66%	-1.30%	-1.30%	91.11%	91.11%	327.66%	327.66%
Net asset value per equity share (Rs.)	5.93	0.00	9.80	1.96	103.16	20.63	10.24	10.24
Adjusted weighted average no. of equity shares outstanding during the year	10,000	15,020,000	105,219	15,210,437	5,000,000	25,000,000	5,000,000	25,000,000
Total number of shares outstanding at the end of the year	10,000	15,020,000	5,000,000	25,000,000	5,000,000	25,000,000	25,000,000	25,000,000

Notes:

- The ratios have been computed as below:

Adjusted earning per share(Rs.) :

$$\frac{\text{Net Profit after tax attributable to equity shareholders}}{\text{Adjusted weighted average number of equity shares outstanding during the year}}$$

Return on net worth (%):

$$\frac{\text{Net Profit after Tax}}{\text{Net worth excluding revaluation reserve at the end of the year}}$$

Net asset value per equity share(Rs.) :

$$\frac{\text{Net worth excluding revaluation reserve and miscellaneous expenditure to the extent not written off at the end of the year/period}}{\text{Number of equity shares outstanding at the end of the year}}$$
- Net profit as restated as appearing in the Restated Statement of Profits & Loss has been considered for the purpose of computing the above ratios.
- The Company does not have any potential equity shares in its capital structure and hence diluted EPS is the same as basic EPS.
- The Company on November,3, 2009 had split its equity shares from Rs. 10 each to equity shares of Re. 1 each and had issued bonus shares in the ratio of 1:1. Further on January 22, 2010 the Company consolidated the face value of equity shares from Re 1 each to equity shares of Rs. 2 each. On February 22, 2010, the Company further consolidated the face value of equity shares from Rs. 2 each to equity share of the face value of Rs. 5 each and issued bonus shares in the ratio of 1 equity share of the face value of Rs. 5 each for every 4 equity shares held. As per the requirement of SEBI ICDR regulations the weighted average number of equity shares has been adjusted to reflect the aforesaid change.
- Earning per share calculations are done in accordance with Accounting Standard 20 "Earning per share" as notified under the Companies (Accounting Standards) Rules, 2006 and SEBI ICDR regulations.

ANNEXURE: 7

CAPITALISATION STATEMENT

<i>(Rs in Millions)</i>		
Particulars	Pre – Issue (as at 31/03/10)	Post Issue*
Short Term Debts	-	-
Long Term Debts	-	-
Total Debts	-	-
Shareholder's Fund		
Share Capital	125.00	
Reserves & Surplus	154.12	
Less : Misc. Expenditure not written off	23.02	
Total Shareholder's Fund	256.10	
Long term debt/equity	-	

** Share Capital and reserves and surplus post issue can be calculated only on the conclusion of the book building process

ANNEXURE: 8**SUMMARY OF DEBTORS***(Rs in Millions)*

Particulars	As on 31st March			
	2007	2008	2009	2010
Debt outstanding for a period exceeding 6 months				
- considered good	-	-	0.13	0.35
- considered doubtful	-	-	-	-
Other Debts				
- considered good	-	-	3.12	28.65
- considered doubtful	-	-	-	-
Less : Provision for doubtful debts	-	-	-	-
Total	-	-	3.25	29.00

ANNEXURE: 9

STATEMENT OF TAX SHELTER

(Rs in millions)

Particulars	As on 31st March			
	2007	2008	2009	2010
Profit before current and deferred taxes, as restated	(0.02)	(0.29)	529.03	1,015.55
Weighted average tax rate (%)	33.99%	33.99%	33.99%	33.99%
Tax expense at weighted average rate (A)	(0.01)	(0.10)	179.82	345.19
Adjustments				
Permanent Differences				
Deduction u/s 80IC of the Act	-	-	(354.95)	(815.23)
Deduction u/s 80G of the Act	-	-	(0.14)	-
Expenses disallowed	-	0.001	0.54	0.35
Indexation difference on long term capital gain	-	-	-	-
Long-term capital gain charged at lower rate of tax	-	-	-	-
Dividend exempt u/s 10(34) of the Act	-	-	(0.87)	-
Total (B)	0.00	0.00	(355.42)	(814.88)
Temporary Differences				
Difference between book depreciation and tax depreciation	-	(0.46)	(3.77)	(10.79)
Provision for doubtful debts	-	-	-	-
Utilisation of MAT credit	-	-	-	-
Provision for retirement benefits	-	-	5.86	2.79
Loss Carried Forward	0.02	0.75	-	-
Brought Forward Loss	-	-	(0.75)	0.00
Others	-	-	-	-
Total (C)	0.02	0.29	1.35	(8.00)
Net Adjustment (B+C)	0.02	0.29	(354.07)	(822.88)
Tax expense/(saving) thereon	0.01	0.10	(120.35)	(279.70)
Net impact	-	-	59.47	65.49
Adjustment due to the provisions of Minimum Alternative Tax (MAT)			0.24	107.07
Tax liability under MAT on book profits	-	-	59.71	172.56
Provision for current tax as per the books of accounts (i)	-	-	60.30	173.50
Provision for WealthTax (ii)	-	0.19	0.20	0.20
Provision for Fringe Benefit Tax (iii)	-	-	0.91	-
Provision for Deferred Tax (iv)	-	0.16	(2.30)	2.72
Total tax expenses as per restated statement (i+ii+iii+iv)	-	0.35	59.11	176.42

ANNEXURE: 10**STATEMENT OF SECURED & UNSECURED LOANS***(Rs in Millions)*

Particulars	As on 31st March			
	2007	2008	2009	2010
Non convertible debentures	-	-	-	-
Foreign currency loan	-	-	-	-
Deferred payment liabilities in relation to buildings	-	-	-	-
Loans from promoter group	-	-	-	-
Total	-	-	-	-

SECURED LOANS

Type of Facility	Total Sanctioned Amount (Rs. In Million)	Amount Outstanding (Rs. In Million)	Date of Availment	Rate of Interest and Repayment Schedule	Security
Nil	Nil	Nil	Nil	Nil	Nil

UNSECURED LOANS*(Rs in Millions)*

NAMES	As on 31st March			
	2007	2008	2009	2010
Rajeev Gandhi (Director)	0.03	-	-	-
Total	0.03	-	-	-

UNSECURED BORROWINGS

Lender	Amount Outstanding (Rs. In Million)	Date of Availment	Term of Loan (in months)	Rate of Interest and Repayment Schedule
Nil	Nil	Nil	Nil	Nil

ANNEXURE: 11

SUMMARY OF LOANS & ADVANCES

(Rs in Millions)

Particulars	As on 31st March			
	2007	2008	2009	2010
Advances recoverable in cash or in kind or for value to be received	-	0.61	9.27	1.40
Security / Other deposits	-	1.37	79.96	22.92
Advances to Staff	-	-	(0.42)	0.49
Others	-	0.02	-	-
Less: Provision for doubtful loans and advances	-	-	-	-
Total	0.00	1.99	88.80	24.81
The above includes the following loans and advances to the promoter group				
Advances recoverable in cash or in kind or for value to be received	-	-	-	-
Security / Other Deposits (Bajaj Consumer Care Limited)	-	-	(17.90)	-
Total	0.00	0.00	(17.90)	0.00

ANNEXURE: 12

SUMMARY OF INVESTMENTS

(Rs in Millions)

Particulars	As on 31st March			
	2007	2008	2009	2010
Subsidiaries/ associates	-	-	-	-
Units of Mutual funds	-	-	-	-
Equity shares	-	-	-	-
Debentures	-	-	-	-
Others (Mutual funds - Unquoted)	-	-	-	21.01
Less : Provision for decline in carrying value of investments	-	-	-	-
Total	-	-	-	21.01
Aggregate book value of quoted investments	-	-	-	-
Aggregate market value of quoted investments	-	-	-	-
Aggregate book value of unquoted investments	-	-	-	21.01

ANNEXURE: 13

SUMMARY OF SIGNIFICANT TRANSACTION WITH RELATED PARTIES (AS - 18)

S.No.	Category of related parties	Names
1.	Subsidiaries	-
2.	Associates	-
3.	Key management personnel	1. Mr Kushagra Bajaj 2. Mr R F Hinger 3. Mr Divyaroop Bhatnagar (Upto April 30, 2009) 4. Mr Sumit Malhotra 5. Mr Apoorv Bajaj (w.e.f November 05, 2009)
4.	Parties with substantial interest	Bajaj Consumer Care Ltd, Holding Company
5.	Others	-

(Rs in millions)						
Nature of the transaction	Subsidiaries	Associates	Key management personnel	Parties with substantial interest	Others	Total
Transactions during the year ended [last four years]						
Equity Shares issued	-	-	-	50.00	-	50.00
Bonus Shares issued	-	-	-	75.00	-	75.00
Dividend Paid	-	-	-	922.50	-	922.50
Loan taken & repaid	-	-	-	348.30	-	348.30
Loan given & received back	-	-	-	777.20	-	777.20
Interest received on loan given	-	-	-	7.30	-	7.30
Interest paid on loan taken	-	-	-	0.00	-	0.00
Remuneration	-	-	49.32	-	-	49.32
Sitting Fees	-	-	0.06	-	-	0.06
Purchases made	-	-	-	5.45	-	5.45
Royalty	-	-	-	56.61	-	56.61
Transfer of Current Liabilities	-	-	-	94.67	-	94.67
Transfer of Current Assets	-	-	-	34.44	-	34.44
Payment received for Current liabilities/assets (net)	-	-	-	56.74	-	56.74
Amounts incurred by Company on behalf of the holding company.	-	-	-	0.03	-	0.03
Balances as at March 31, 2010						
Debtors	-	-	-	-	-	-
Cost and estimated earnings in excess of billings	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other liabilities	-	-	-	29.24	-	-
Security deposits	-	-	-	-	-	-
Provision for pension benefits	-	-	-	-	-	-
Proposed dividend	-	-	-	-	-	-
Guarantees given	-	-	-	-	-	-

(Rs in millions)

Nature of the transaction	Parties with substantial interest			
	31st March			
	2007	2008	2009	2010
Transactions during the year/ period ended				
Equity Shares issued	-	50.00	-	-
Bonus Shares issued				75.00
Interim/Proposed dividend		-	2.50	920.00
Dividend Paid	-	-	-	922.50
Loan taken & repaid	-	-	341.50	6.80
Loan given & received back	-	-	192.20	585.00
Interest received on loan given	-	-	-	7.30
Interest paid on loan taken	-	-	-	0.00
Purchases made	-	-	4.88	0.57
Royalty			24.12	32.49
Royalty of previous year paid (net of TDS)	-	-	-	21.39
Transfer of Current Liabilities	-	-	94.66	0.01
Transfer of Current Assets	-	-	34.44	-
Payment received for Current liabilities/assets (net)	-	-	56.74	-
Amounts incurred by Company on behalf of the holding company.	-	-	-	0.03
Balances:				
Debtors	-	-	-	-
Cost and estimated earnings in excess of billings	-	-	-	-
Investments	-	-	-	-
Other liabilities	-	-	18.41	29.24
Security deposits	-	-	-	-
Provision for pension benefits	-	-	-	-
Proposed dividend	-	-	2.50	-
Guarantees given	-	-	-	-
Remuneration	-	-	26.77	22.55
Sitting Fees				0.06

ANNEXURE: 14**DETAILS OF RATES OF DIVIDEND PAID BY THE COMPANY**

Class of shares	As on 31st March			
	2007	2008	2009	2010
Equity shares				
- Interim	-	-	-	(i) 700% * Face value Re 1/- each
				(ii) 176%** Face value Re 5/- each
- Final	-	-	5% Face value Rs 10/- each	
Total	-	-	5%	

* On December 19, 2009 Company declared interim dividend @ 700% on its share capital of Rs. 100 millions comprising of 100 million equity shares of Re 1 each

** On March 18, 2009 Company declared another interim dividend @ 176% on its share capital of Rs. 125 Millions comprises of 25 million shares of Rs 5 each

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition is based on our restated audited financial statements as of and for the fiscal years ended March 31, 2008, 2009 and 2010. This discussion contains forward-looking statements and reflects our current views on our Company 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 under "Risk Factors" and elsewhere in this RHP. This discussion should be read together with our Indian GAAP financial statements and related notes. We prepare our consolidated financial statements in accordance with Indian GAAP, which differs in some respects from IFRS and U.S. GAAP. See the section titled "Risk Factors — Certain Factors Relating to India — Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessment of our financial condition." beginning on page 28 of this RHP.

As our fiscal year ends on March 31 of each year, all references to a particular fiscal year are to the 12 months ended March 31 of that year.

Basis of Presentation

We began our operations in April 2008 by selling products previously sold by BCCL. Our restated financial statements as of March 31, 2008, 2009 and 2010 and for the fiscal year ended March 31, 2009 and 2010 are set out in the section titled "Financial Statements" beginning on page 139 of this RHP. Because we have a limited operating history and only have two full fiscal years of operating results, we can only provide a period-to-period discussion of our results of operations for fiscal year 2009 compared to fiscal year 2010. Additionally, because the manner in which we operate our business differs from BCCL, we believe that comparing our results to those of BCCL could be misleading. See the section titled "Risk Factors -- We have limited operating and financial history, therefore investors may not be able to evaluate our current and future business prospects accurately" beginning on page 13 of this RHP.

Overview

Bajaj Corp Ltd is one of India's leading producers of hair oils. We are part of the Shishir Bajaj Group of companies (the "Bajaj Group"). Through its subsidiaries, the Bajaj Group operates businesses in the consumer goods, sugar, power generation and infrastructure development industries throughout India. The "Bajaj" name is a well-recognized Indian brand that consumers associate with quality products at competitive prices. The Bajaj Group has grown into one of India's leading business conglomerate

The legacy of Bajaj Corp extends back to 1953 when Mr. Kamal Nayan Bajaj established Bajaj Sevahram ("BSL") to market and sell hair oils and other beauty products. In 2001, in view of the impending Bajaj family settlement, the business was demerged to Bajaj Consumer Care Limited ("BCCL"). BSL assigned the trademarks for all of the brands we currently sell to BCCL. Subsequently, BCCL licensed these brands to us, pursuant to the Trademark License Agreement. The exclusive agreement is valid for a term of 99 years from March 12, 2008 and is extendable for an additional ten years. We began operating as Bajaj Corp Ltd in April 2008. The Trademark License Agreement granted us the exclusive right to use, manufacture, advertise, distribute and sell the products associated with these brands. We have since become India's third largest producer of hair oils and the largest producer of light hair oils, capturing an estimated 50.3% of the light hair oil market (based on value) in fiscal year ended March 31, 2010, according to Nielsen Retail Audit Report. We believe that our name recognition, product quality and marketing experience have enabled us to create one of the stronger consumer brands in India. Our key product is Bajaj Almond Drops, a premium brand that is currently the market leader in the light hair oil segment. Almond Drops accounted for approximately 92.4% of our net sales in the fiscal year ended March 31, 2010. In addition, we market our hair oil under the brand names Brahmi Amla, Amla Shikakai and Jasmine Hair Oil. We also produce oral care products under the brand name Bajaj Black Tooth Powder.

We manufacture our products at three company-operated facilities in Parwanoo, Dehradun and Ponta Sahib. We commenced commercial production at our company-operated facility at Ponta Sahib in March 2010. By completing this 3,500 square meter facility in Paonta Sahib, our production capacity for light hair oil increased from 39 million litres of hair oil per annum to 74 million litres of hair oil per annum. In addition, we also engage third-party manufacturers at Parwanoo, Himachal Pradesh for hair oils and Udaipur, Rajasthan to produce our oral care products. These third-party facilities have a combined installed capacity of 9 million litres

of hair oil per annum. As of March 31, 2010, the combined production capacity for all company and third-party operated production facilities was 83 million litres of hair oil per annum.

We market our products through our in-house sales team as well as sales personnel employed through our distributors. These sales personnel are responsible for making our brands available throughout India. We manage a distribution network that includes 4,600 distributors, or "stockists", that sell to more than 1.56 million retail outlets located throughout India.

We believe we are well-positioned to compete in a dynamic marketplace by offering our customers high quality products at affordable prices. We believe that demand for fast moving consumer goods ("FMCG"), particularly hair oil, will continue to increase, most notably in rural areas of India where consumers have generally experienced an increase in disposable incomes due to farmers shifting to cash crops, rural employment generation schemes and general economic growth.

In the fiscal year ended March 31, 2010, we recorded net sales of Rs.3,300 million. Net sales of our products have grown at a CAGR of 32.4% over the last three fiscal years (including sales data from when our products were sold by BCCL). Our profit after tax for the fiscal year ended March 31, 2010 was Rs.839.1 million. Domestic sales accounted for approximately 99.5% of net sales for the same period.

Factors Affecting Operating Results

Our results of operations have been influenced and will continue to be influenced by the following key factors:

Dependence on Almond Drops

For the fiscal year ended March 31, 2010, Almond Drops hair oil contributed 92.4% of our total sales. While we continue to actively market the other brands we sell in an effort to diversify our sales across all the brands, Almond Drops will likely to continue to represent a significant majority of our sales. A decrease in sales of our Almond Drops product will have a negative impact on our results of operations.

Economic Conditions in India

India's economic success has been, and will continue to be, a significant factor in the continued growth of our business. GDP growth in India is expected to remain relatively strong in the long term, though the recent global economic downturn has lowered estimates for India's immediate growth. As this growing middle class continues to see its income level rise, we believe consumers will likely consume higher priced FMCGs, including Almond Drops. We also believe rising incomes will help move consumers of unbranded hair oil products to the branded segment. Our ability to continue growing our revenues will depend on our ability to meet this constantly evolving demand.

Competition and Pricing Pressures

We operate in a competitive market environment. We compete against a number of hair oil manufacturers and marketers, some of which are larger and have substantially greater resources than us, and may therefore have the ability to expend more resources on advertising and marketing. Flexibility to respond to changing business and economic conditions is an important element towards maintaining a competitive position in the industry. We believe that our high brand equity and aggressive marketing campaigns have helped us to maintain a competitive position.

Production Cost and Availability of Raw Materials

Our cost of production principally comprises raw material costs and production related costs. The availability of LLP, our key raw material, is impacted by changes in the international price of crude oil. Our supply contracts for LLP are for a fixed price and are typically for three months in duration. We do not use hedging techniques and any significant change in the price of LLP or disruption in supply may affect the pricing of our products. If we are unable to increase our product prices to significantly offset increased raw material costs, or if volume sales are significantly reduced, it could have a negative impact on our profitability.

Successful Implementation of our Growth Strategy

One of our growth strategies is focused on expansion into the rural markets of India. We intend to expand the presence of our products in smaller cities and rural areas by increasing the number of distribution stock points

and alternative distribution channels. A key component of our growth in the rural market will be shifting rural consumers to branded and packaged products from unbranded products. We intend to work towards the goal by providing rural consumers with an appropriate value proposition including price, positioning and packaging. There is a risk that our products will not meet the same level of demand in less populated portions of the country that they have enjoyed in the larger cities. Our revenue growth is also dependent on demand for our products in these underserved areas.

Significant Accounting Policies

Our significant accounting policies are set out below.

Fixed Assets: Fixed assets are reflected in the accounts at historical cost less accumulated depreciation.

Depreciation: Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Revenue Recognition: Income and expenditure of all “Material Items” are accounted on an accrual basis.

Inventories: Inventories are valued at cost. Finished goods and goods in process are valued at lower of cost or market/net realizable value.

Investments: All investments are current investments and are held at lower of cost and net asset value/ market value.

Contingent Liabilities: Disputed liabilities and claims against our Company including claims raised by fiscal authorities (e.g. sales tax, income tax, etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with a possibility of outflow of resources, when reliably estimable is recognized in accounts.

Retirement Benefit: (i) Gratuity: We have taken Employee Group Gratuity-Cum-Life Assurance Policy of L.I.C. of India for covering accruing liability and the premium paid/payable on such policy is charged to the Profit & Loss Account. (ii) Superannuation: Contribution to Superannuation fund is being made to LIC as per our scheme. (iii) Provident Fund: Employees own and Employer’s Contribution are paid to the Government Provident Fund Authority. (iv) Employee Pension Scheme: Contribution to Employee’s Pension Scheme 1995 is made to the Government Provident Fund Authority.

Foreign Currency Transaction: Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange rate differences resulting from foreign exchange transactions settled during the period are recognized in the Profit & Loss Account.

Income Tax and Deferred Taxation: Our liability on account of Income Tax is estimated considering the provisions of the Income Tax Act, 1961. Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent year.

RESULTS OF OPERATIONS

The following table sets out our income statement, the components of which are expressed as a percentage of Gross sales from our operations for the periods indicated.

Income Statement	Fiscal year ended March 31, 2009		Fiscal year ended March 31, 2010	
	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income
INCOME				
Sales				
-Manufactured	1,492.0	59.2%	2,802.3	83.7%
-Traded	952.2	37.8%	497.7	14.9%
Total	2,444.2	97.0%	3,300.0	98.6%
Other Income	17.7	0.7%	51.3	1.5%
Increase/ (Decrease) in	58.4	2.3%	(2.6)	(0.1%)

Income Statement	Fiscal year ended March 31, 2009		Fiscal year ended March 31, 2010	
	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income
Inventories				
Total Income	2,520.3	100.0%	3,348.7	100.0%
EXPENDITURE				
Materials				
-Raw Materials Consumed	668.1	26.5%	951.6	28.4%
-Purchase of Traded Goods	479.0	19.4%	201.4	6.0%
Manufacturing Expenses	10.3	0.4%	12.3	0.4%
Staff Costs	113.0	4.5%	138.6	4.1%
Administrative and Other Expenses	21.2	0.8%	29.7	0.9%
Selling and Distribution Expenses	694.7	27.6%	989.6	29.6%
Finance Cost	0.6	0.0%	1.3	0.0%
Depreciation and Amortization	4.4	0.2%	8.8	0.3%
Total Expenditure	1,991.2	79.0%	2,333.1	69.7%
Profit Before Tax and Extraordinary Items	529.0	21.0%	1,015.6	30.3%
Tax	59.1	2.4%	176.4	5.3%
PROFIT AFTER TAX	469.9	18.7%	839.1	25.1%

Total Income: Our total income consists of sales from manufacturing and trading activities and other income.

Sales: Gross sales consist of sales of our own manufactured products as well as sales of traded products which we purchase from our third party manufacturers. Sales revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

Other Income: Other income includes interest on fixed deposits with banks, interest on inter corporate deposits, profits from the sale of investments, cash discount received and other miscellaneous income.

Increase/ (Decrease) in Inventories: (Increase)/Decrease in finished goods/work in progress includes the differences between opening and closing stock values related to materials consumed plus manufacturing expenses.

Materials: Materials include the cost of materials consumed and cost of traded products. Cost of materials consumed primarily consists of expenses incurred in relation to purchase of raw and packaging materials for our operations. The cost of traded products primarily consists of expenses incurred in purchasing finished products from our third party manufacturers.

Manufacturing Expenses: Manufacturing expenses include power and fuel expenses, consumables and spare parts consumed, supervision charges paid to third-party contractors for managing the manufacturing process and other miscellaneous manufacturing expenses.

Staff Costs: Our staff costs comprise salaries, allowances and bonus payments to our employees and labour including for our corporate and senior management personnel, contribution towards superannuation fund, provident fund, employee state insurance and other funds, gratuity and staff welfare expenses.

Administrative and Other Expenses: Administration and other expenses consist of rent, postage and telephone, rates and taxes, repairs and maintenance, legal and professional fees, insurance, printing and stationery and sundry office expenses.

Selling and Distribution Costs: Selling and distribution costs comprise primarily of sales tax, advertisement and media expenses, schemes to customers, freight and octroi, cash discount, travelling and conveyance, annual target discounts, royalty and C&F service charges.

Finance Cost: The finance charges incurred by us include interest charges payable by us on term loans and other deposits/borrowings, loan processing fees, bank charges and other financial charges such as cash collection charges.

Depreciation and Amortization: Depreciation costs are the depreciation charges on our capital expenditures. Our capital expenditures include expenditures on purchase of land and buildings, construction of factory building, electric installation, plant and machinery, office equipment, vehicle, furniture and fixtures and computer hardware and software.

Tax: We provide for both current taxes, comprising of income tax, wealth tax and fringe benefit tax, and deferred taxes. Tax on income for the current period is determined on the basis of estimated taxable income and tax credit, if any, and computed in accordance with the provisions of applicable law. Deferred tax arises mainly due to the timing differences between accounting income and the estimated taxable income for the period.

Fiscal Year Ended March 31, 2010 Compared to Fiscal Year Ended March 31, 2009

Sales. Our sales increased 35.0% to Rs.3,300.0 million in fiscal year 2010 from Rs.2,444.2 million in fiscal year 2009. Sales from manufacturing activities increased 87.8% to Rs.2,802.3 million in fiscal year 2010 from Rs.1,492.0 million in fiscal year 2009. The increase in sales from manufacturing was primarily the result of shifting our production activities from third-party manufacturers to company-operated facilities in fiscal year 2010 with the opening of our facility in Dehradun. In addition, we experienced an overall increase in sales volume as a result of increased demand for our products due to higher advertising and promotion expenditures as well as increasing the number of distributors and retail outlets that sell our products. We experienced a significant increase in use from customers who previously used coconut oils as well as significant growth in the rural parts of the country due to increasing penetration of our smaller pack sizes as well as our TV advertising and brand initiatives launched during fiscal year 2010. In January 2010, we increased the price of our Almond Drops Hair Oil by 5.26%, which also contributed to the increase in sales in fiscal year 2010. We commenced production at our Dehradun facility in May 2009 in order to meet the increasing demand for our products. As a result of the new facility opening at Dehradun, we shifted production away from our third-party manufacturers, which resulted in a 47.7% decrease in sales from trading activities to Rs.497.7 million in fiscal year 2010 from Rs.952.2 million in fiscal year 2009.

Other Income. Other income increased 189.8% to Rs.51.3 million in fiscal year 2010 from Rs.17.7 million in fiscal year 2009. The increase in other income was primarily the result of a Rs.26.1 million increase in interest received on inter corporate deposits provided to small and medium size companies in India, which typically provide a higher rate of interest than bank deposits. In addition, we experienced a Rs.7.9 million increase in interest received on bank deposits during fiscal year 2010 on account of higher bank balances. The increase in interest received resulted from higher inter corporate and bank deposit balances for the most of the year prior to the payment of dividends on December 24, 2009 and March 23, 2010.

Materials Consumed. Materials consumed increased 42.4% to Rs.951.6 million in fiscal year 2010 from Rs.668.1 million in fiscal year 2009. The increase in materials consumed was primarily attributable to the overall increase in sales volumes for our hair oils in fiscal year 2010. In addition, the opening of the Dehradun facility in fiscal year 2010 and the resulting shift in production to company-operated facilities also contributed to the increase in materials consumed. We consumed 1,743.5 tons of refined oil in fiscal year 2010 as compared to 993.3 tons in fiscal year 2009, an increase of 75.5%. We also consumed 6,262.3 tons of LLP in fiscal year 2010 as compared to 3,532.9 tons in fiscal year 2009, an increase of 77.3%. The increase in the volume of LLP consumed during fiscal year 2010 was partially offset by a decrease in the price we paid for our LLP requirements during fiscal year 2010 as compared to fiscal year 2009.

Purchase of Traded Goods. Purchase of traded goods decreased 57.9% to Rs.201.4 million in fiscal year 2010 from Rs.479.0 million in fiscal year 2009. The decrease in purchase of traded goods was primarily the result of shifting our production activities from third-party manufacturers to our new manufacturing facility at Dehradun in May 2009.

Manufacturing Expenses. Manufacturing expenses increased by 19.4% to Rs.12.3 million in fiscal year 2010 from Rs.10.3 million in fiscal year 2009. This increase was primarily a result of an overall increase in our manufacturing activity due to higher sales volumes as well as the shifting of our manufacturing activities to company-operated facilities.

Staff Costs. Staff costs increased by 22.7% to Rs.138.6 million in fiscal year 2010 from Rs.113.0 million in fiscal year 2009. The increase in staff costs was principally a result of an increase in our employee count to 302

as of March 31, 2010 from 275 as of March 31, 2009 as well as increases in pay for our current employees in line with market rates. The increase in head count during the year was primarily attributable to new hires in our sales and marketing team as part of our effort to grow our distribution network during fiscal year 2010.

Administrative and Other Expenses. Administrative and other expenses increased by 40.1% to Rs.29.7 million in fiscal year 2010 from Rs.21.2 million in fiscal year 2009. The increase in administrative and other expenses was primarily a result of additional costs associated with operating our new facility at Dehradun as well as costs attributable to the growth of our distribution network. With the opening of several new sales centres, there was a corresponding increase in rent, telephone, security, legal and other costs.

Selling and Distribution Expenses. Selling and distribution expenses increased 42.4% to Rs.989.6 million in fiscal year 2010 from Rs.694.7 million in fiscal year 2009. The increase in selling and distribution expenses was primarily a result of an increase in (i) advertisement by Rs.69.3 million, including a 56% increase in spending on TV advertising; (ii) sales tax paid at the sales office level due to higher sales volumes during fiscal year 2010; (iii) schemes and consumer promotions by Rs.67.6 million principally as a result of broader use of promotional activities, including offering free consumer care products with our hair oils; and (iv) freight by Rs.30.4 million due to shipping more products on account of higher sales volumes as well as a wider shipping area as a result of the widening of our geographic reach to more remote areas of the country.

Finance costs. Finance costs increased by 116.7% to Rs.1.3 million in fiscal year 2010 from Rs.0.6 million in fiscal year 2009. The increase in finance cost was primarily a result of an increase in processing fees and collection charges charged by our banks for pooling of funds due to the increase of our distribution network and the corresponding increase in the number of sales offices throughout the country.

Depreciation and Amortization. Depreciation and amortization increased 100.0% to Rs.8.8 million in fiscal year 2010 from Rs.4.4 million in fiscal year 2009. This increase was principally related to the depreciation attributable to our new facilities at Dehradun and Paonta Sahib.

Profit Before Tax and Extraordinary Items. As a result of the above, profit before tax and extraordinary items increased 92.0% to Rs.1,015.6 million in fiscal year 2010 from Rs.529.0 million in fiscal year 2009.

Tax. Tax expense increased 198.5% to Rs.176.4 million in fiscal year 2010 from Rs.59.1 million in fiscal year 2009. The increase in tax expense was primarily the result of the substantial increase in profits as well as an increase in the "minimum alternative tax" rate we pay as a result of our facilities being located in preferential tax areas. Our minimum alternative tax rate increased from 11.3% (basic: 10%, surcharge: 10% and education cess: 3%) in fiscal year 2009 to 17.0% (basic: 15%, surcharge: 10% and education cess 3%) in fiscal year 2010. Our effective tax rate for fiscal year 2010 was 17.4%.

Profit After Tax and Extraordinary Items. Profit after tax and extraordinary items increased 78.6% to Rs.839.1 million in fiscal year 2010 from Rs.469.9 million for fiscal year 2009.

Related Party Transactions

Our principal related parties are holding company and key management personnel. Other than equity commitments, dividend distribution and loan transactions with our holding Company, we do not have any obligation to provide financial support or meet any obligations of these related parties. For further information, see the section titled "Financial Statements-Annexure 13" beginning on page 155 of this RHP.

Liquidity and Capital Resources

We finance our working capital requirements primarily through funds generated from operations. Our principal sources of liquidity are cash, bank balances and the cash flow that we generate from our operations. We had combined cash and bank balances of Rs.510.4 million and Rs.167.5 million as on March 31, 2009 and March 31, 2010, respectively. The following is a summary of our combined cash flow data for the periods indicated:

	March 31, 2009	March 31, 2010
		(in Rs. millions)
Net cash from/(used in) operating activities	513.8	860.8
Net cash from/(used in) investing activities	(16.3)	(101.5)
Net cash from/(used in) financing activities	(0.4)	(1,102.1)
Net increase/(decrease) in cash and cash equivalents	497.2	(342.8)

Cash Flow from Operating activities. Net cash from operating activities primarily consists of net profit before taxation adjusted for certain non-cash items (including depreciation), loss/ (profit) on sale of investments, interest income, dividend income, miscellaneous expenditures written off and the effect of changes in working capital and other activities.

Net cash from operating activities in the fiscal year ended March 31, 2009 was Rs.513.8 million and consisted of profit before tax of Rs.529.0 million and adjustments for non-cash and non-operating items of Rs.11.3 million. The difference between our profit before tax and net cash from operating activities primarily resulted from an increase in other loans and advances of Rs.87.2 million and an increase in inventories of Rs.77.4 million, which offset an increase in creditors of Rs.132.4 million and increase in other liabilities and provisions of Rs.68.1 million and Rs.25.2 million, respectively.

Net cash from operating activities in the fiscal year ended March 31, 2010 was Rs.860.8 million and consisted of profit before tax of Rs.1,015.6 million and adjustments for non-cash and non-operating items of Rs.39.1 million. The difference between our net profit before taxation and net cash used in operating activities primarily resulted from a decrease in other loan and advances of Rs.64.0 million, increase in provisions of Rs.24.1 million, increase in creditors of Rs.7.6 million, which offset an increase in debtors of Rs.25.8 million and an increase in inventory of Rs.21.6 million.

Cash Flow from Investing activities. Net cash used in investing activities was Rs.16.3 million in the fiscal year ended March 31, 2009, primarily as a result of the purchase of fixed assets of Rs.32.0 million which were mainly related to plant, machinery, land and building for our new facilities in Parwanoo and Dehradun. Cash used in purchasing fixed assets was partially offset by interest received of Rs.12.0 million. Net cash used in investing activities was Rs.101.5 million in the fiscal year ended March 31, 2010 primarily as a result of the purchase of fixed assets of Rs.128.4 million related to our Dehradun and Paonta Sahib factories and the purchase of investments of Rs.19.1 million, which was partially offset by interest received for bank deposits and inter corporate deposits of Rs.46.0 million.

Cash Flow from Financing activities. Net cash used in financing activities was Rs.0.4 million in the fiscal year ended March 31, 2009 as a result of the payment of registration fees and payment of stamp duty for increasing the authorised capital of our Company. Net cash used in financing activities was Rs.1,102.1 million in the fiscal year ended March 31, 2010 primarily as a result of payment of dividends and dividend tax.

Financial condition

The following table sets forth our net assets as of March 31, 2008, 2009 and 2010:

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
	<i>(in Rs. millions)</i>		
Total Assets	51.0	745.6	524.3
Total Liabilities	2.0	229.8	268.2
Net Assets	49.0	515.8	256.1

As of March 31, 2008, we had net assets of Rs.49.0 million. Net assets increased by Rs.466.8 million in the fiscal year ended March 31, 2009 due to the commencement of operating activities during the year. Net assets decreased during the fiscal year ended March 31, 2010 to Rs.256.1 million primarily due to the payment of dividends and dividend tax of Rs.920 million and Rs.156.4 million, respectively.

Assets

The following table sets forth the principal components of our assets as of March 31, 2008, 2009 and 2010:

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
	<i>(in Rs. millions)</i>		
Net Block (including capital work in progress)	36.0	63.7	183.6
Inventories	-	77.4	98.9
Cash and Bank Balances	13.2	510.4	167.5

As of March 31, 2008 we had a net block of fixed assets (including capital work in progress) of Rs.36.0 million. During the fiscal years ended March 31, 2009 and 2010, we added Rs.27.7 million and Rs.119.9 million respectively to the net block. Because we commenced operations in April 2008, we had no recorded inventories as of March 31, 2008. As of March 31, 2009 our Company had inventories of Rs.77.4 million which increased to Rs.98.9 million as of March 31, 2010. Our cash and bank balance increased by Rs.497.2 million during the fiscal year ended March 31, 2009 due primarily to increased operating activities. Cash and bank balances decreased by Rs.342.9 million in the year ended March 31, 2010.

Liabilities and Provisions

The following table sets forth the principal components of our liabilities position as of March 31, 2008, 2009 and 2010:

	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
	<i>(in Rs. millions)</i>		
Current liabilities	1.8	201.8	215.2
Provisions	0.2	28.0	53.0

Our current liabilities mainly comprise creditors, advances from customers, deposits and statutory liabilities. Provisions mainly comprise provisions for direct taxes, provision for dividends and dividend tax and other provisions. We started our operation during the fiscal year 2009 which resulted in significant increase in the current liabilities and provisions as compared to the previous year. The increase in provisions as of March 31, 2009 was due primarily to a provision for dividend and dividend tax of Rs.2.9 million and other provision of Rs.24.9 million. The increase in provisions as of March 31, 2010 was due primarily to an increase in provisions for direct taxes by Rs.3.9 million and increase in other provisions by Rs.21.1 million.

Capital Expenditures

Historical Expenditures

The table below sets out our significant capital expenditures for the fiscal years ended March 31, 2009 and 2010.

Description	Fiscal Year Ended March 31, 2009	Fiscal Year Ended March 31 2010
	<i>(in Rs. millions)</i>	
Plant and Machinery	15.4	39.0
Land at Paonta Sahib	1.0	34.9
Building construction at Paonta Sahib	0.0	40.0
Building construction at Dehradun	10.4	6.2
Motor Car	2.8	1.5
Computers and software	1.6	1.6
Others	0.8	5.2
Total	32.0	128.4

Working Capital

Taking into account the net proceeds of the Issue and available banking facilities, we believe that our Company has sufficient working capital for its present requirements.

Contingent liabilities

As of March 31, 2010, we had no contingent liabilities.

Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements.

Sundry Debtors

Our Company has a policy of only selling its products on a cash basis. Thirty day credit facilities are provided only to Modern Trade and Canteen Stores.

Quantitative and Qualitative Disclosures about Market Risk

Risk Management

We consider market risk to be the potential loss arising from adverse changes in market rates and prices of our end-products. We are exposed to a number of market risks arising from our normal business activities. Such market risks principally involve the possibility that changes in commodity prices, interest rates or exchange rates will adversely affect the value of our financial assets and liabilities or future cash flows and earnings. We periodically review our exposure to market risks and determine at the senior management level how to manage and reduce the impact of these risks. We do not enter into derivative or other hedging instruments for speculative purposes.

Commodities Risk

We are exposed to fluctuations in the price and availability of the LLP we require for the production of our hair oil products. The price and availability fluctuates widely with the price of crude oil due to unpredictable factors. We do not have any hedging mechanism linked to LLP futures to mitigate lower selling prices of our end-products. Fluctuations in the price and availability of LLP required for the production of our hair oil products could have a significant effect on our results of operations.

Interest Rate Risk

As we have no long-term debt, we are not exposed to any material interest rate risk.

Analysis of Certain Changes

Significant economic changes

Except as described in the section titled “**Management's Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 158 of this RHP, to the best of our Company’s knowledge, there are no significant economic changes that will have a material adverse impact on the operations and finances of our Company.

Known trends or uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above in the section titled “**Management's Discussion and Analysis of Financial Condition and Results of Operations-Factors Affecting our Company's Financial Results**” beginning on page 158 of this RHP and the uncertainties described in the section titled “**Risk Factors**” beginning on page 9 of this RHP. To our Company’s knowledge, except as we have described in this RHP, there are no known factors, which we expect to have a material adverse impact on our Company’s revenues or income from continuing operations.

Seasonality of business

Our Company’s business is not affected by any seasonal changes.

Increase in our revenue

In addition to increase in the volume of sales of our products, the introduction of the proposed new products would also contribute to increase in our revenues.

Significant regulatory changes

Except as described in the section titled “**Regulations and Policies in India**” beginning on page 99 of this RHP, there have been no significant regulatory changes that could affect our income from continuing operations.

Future relationship between expenditure and revenues

Except as described in the sections titled “**Risk Factors**”, “**Our Business**”, “**Management's Discussion and Analysis of Financial Condition and Results of Operations**” and “**Selected Statistical Information**” beginning on pages 9, 82, 158 and 38 of this RHP, respectively, to the best of our knowledge, there is no future relationship between expenditure and revenues that will have a material adverse impact on our operations and finance.

New products or business segment

Going forward, we intend to leverage our existing strengths, such as the use of almond extracts, the Almond Drops brand name and a strong distribution network, to create new products in other areas of the FMCG space such as soaps, shampoos, creams and other hair care products. These are described under the section titled “**Our Business**” beginning on page 82 of this RHP. We also propose to utilize part of the proceeds of the Issue towards sales and marketing of our proposed products as described under the section titled “**Objects of the Issue**” beginning on page 59 of this RHP.

Dependence on few customers

Our Company is not presently dependant on any specific customer or group of customers.

Dependence on one product

Our Company is substantially dependent on one product, Almond Drops, for the majority of our sales. Almond Drops accounted for 92.4% and 92.0% of our net sales in fiscal years 2010 and 2009, respectively.

Competitive conditions

Our Company expects competition to increase in the normal course of business due to, among other things, the increase of new participants, as described above in “**Factors Affecting our Company's Financial Results**” on page 158 and in the section titled “**Risk Factors**” beginning on page 9 of this RHP.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) litigation against our Company, Promoters or Group Companies or against any other company whose outcome could have a material and adverse effect on our results of operations or financial position; (ii) litigation against our Directors involving violation of statutory regulations or alleging criminal offence; (iii) criminal/civil prosecution against our Directors in respect of tax liabilities; (iv) pending proceeding initiated for economic offences against our Company, Promoters, Group Companies and Directors; (v) adverse finding in respect of our Company, Promoters and Group Companies as regards compliance with the securities laws; (vi) past case in which penalty was imposed by the relevant authorities on our Company, Promoters, Group Companies and the Directors; (vii) outstanding litigation or default relating to matters likely to affect the operations and finances of our Company or Promoters, including disputed tax liabilities and prosecution under any enactment in respect of Schedule XIII to the Companies Act; (viii) outstanding litigation, default, non payment of statutory dues, proceeding initiated for economic offences or civil offences (including any past case, if found guilty), any disciplinary action taken by SEBI or any recognized stock exchange against our Company, Promoters, Group Companies and our Directors; and (ix) creditor, including any small scale undertaking, to which a sum exceeding Rs.100,000 is due from our Company which is outstanding for more than 30 days.

A. Proceedings by our Company

NIL

B. Proceedings initiated against our Company

Sr. No.	Forum	Complainant	Particulars	Quantum (Rs. In millions)	Current status
1.	State Consumer Disputes Redressal Commission, Chattarpur No. 44 of 2010	Mr. Saurabh Kher and Mr. Gopal Kher	The Complainant has filed the complaint under section 12 of the Consumer Protection Act, 1986 against the Company, alleging the presence of certain contaminants in a product.	0.005	Pending hearing and final disposal.

C. Payment to Small Scale Undertakings

Other than in accordance with the mutually accepted terms in our agreements with our suppliers, wherein the credit period has been determined, there are no small scale undertakings to which a sum exceeding Rs. 100,000 is due for a period of more than 30 days to be paid by us.

D. Proceedings initiated against the directors of our Company

1. Mr. Gaurav Dalmia

SEBI has pursuant to its order dated January 28, 2010 (“**Order**”), initiated adjudication proceedings against our director Mr. Gaurav Dalmia for alleged violation of Regulation 11(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, for his association with M/s. OCL India Limited (“**OCL**”) as a member of its promoter group. The said matter pertains to the violations in the increase in promoter holding from 62.56% to 75% in OCL pursuant to buy back of equity shares. Mr. Gaurav Dalmia has filed an appeal dated March 15, 2010 against the said Order in the Securities Appellate Tribunal.

E. Civil Proceedings initiated by/against the Individual Promoters

Sr. No.	Forum	Filed by/against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
SHISHIR BAJAJ					
1.	High Court of Bombay ITL No. 5/2000	Commissioner of Income Tax, Nagpur v. Shishir Bajaj	The Commissioner of Income Tax, Nagpur issued a notice being F.No.Judl/R.263(1)/129/84-85 dated February 3, 1986 under section 263 of the Income Tax Act, 1961 alleging erroneous assessment for the year 1981-82. The Commissioner vide his order dated March 20, 1986 upheld the notice and ordered the Assessing officer to redo the Assessment of Shishir Bajaj for the year 1981-82. The Deputy Commissioner passed an assessment order which got rejected by the Commissioner (Appeals) vide an order dated October 23, 1992. The Deputy Commissioner preferred an appeal with the Income Tax Appellate Tribunal (ITAT) against the order of the Commissioner (Appeals). The ITAT rejected the appeal vide order dated November 25, 1994. The Department through the Commissioner filed an appeal in the High Court.	0.25	The matter is pending hearing and final disposal.
2.	Office of Assistant Commissioner, Wardha Range, Wardh	Shishir Bajaj	The Assistant Commissioner of Income Tax, Wardha issued a notice dated August 27, 2009 under section 143(2) of the Income Tax Act, 1961 in relation to the assessment for the year 2008-09.	NA	The matter is pending hearing and final disposal.
3.	High Court, Bombay Suit (L) No. 3850 of 2008	Madhav Pittie & Others v. Bachhraj & Co. Pvt. Ltd. & Ors.	Mr. Pittie and others being the minority shareholders of Bachhraj & Co. Pvt. Ltd. have filed a suit against Mr. Rahul Bajaj and others including Mr. Shishir Bajaj challenging the sale of Bajaj Hindustan shares to Mr. Rahul Bajaj effected through the stock exchange and have also claimed damages for severe mental torture and disturbance.	791.29	The matter is pending hearing and final disposal.
4.	High Court, Bombay, Nagpur Bench GTA no. 1/1995	Commissioner of gift tax, Vidarbha, Nagpur v. Shishir Bajaj	The case pertains to gift tax levied on the conversion of shares of Bajaj Tempo Ltd. into stock in trade at book value during the assessment year 1981-82. The Gift Tax Officer raised a demand under section 4(1)(a) of Gift Tax Act, 1958 and passed an assessment order dated March 23, 1987 against Shishir Bajaj. The same was confirmed by the Commissioner of Income Tax. Shishir Bajaj preferred an appeal against the order of the Tax Officer with the Commissioner (Appeals) who allowed the appeal. The Gift Tax Officer filed an appeal with the Income Tax Appellate Tribunal (ITAT) against the order of the Commissioner (Appeals) which got rejected vide order dated May 11, 1994. The department through the Commissioner filed an appeal in the High Court on December 15, 1994 against the order of ITAT. Subsequently the said shares were offered as capital to M/s Kushagra Trading Co.	0.58	The matter is pending hearing and final disposal.
APOORV BAJAJ					
1.	Office of Assistant	Apoorv Bajaj	The Assistant Commissioner of Income	NA	The matter is

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Commissioner, Wardha Range, Wardha		Tax, Wardha issued a notice dated August 24, 2009 under section 143(2) of the Income Tax Act, 1961 in connection with assessment for the year 2008-09.		pending hearing and final disposal.
MINAKSHI BAJAJ					
1.	Office of Assistant Commissioner, Wardha Range, Wardha	Minakshi Bajaj	The Assistant Commissioner of Income Tax, Wardha issued a Notice dated August 27, 2009 under section 143(2) of the Income Tax Act, 1961 in connection with assessment for the year 2008-09.	NA	The matter is pending hearing and final disposal.
KUSHAGRA BAJAJ					
1.	Office of Assistant Commissioner, Wardha Range, Wardha	Kushagra Bajaj	The Assistant Commissioner of Income Tax, Wardha issued a Notice dated August 27, 2009 under section 143(2) of the Income Tax Act, 1961 in connection with assessment for the year 2008-09.	NA	The matter is pending hearing and final disposal.

F. Criminal Proceedings initiated by/against the Individual Promoters

S. No.	FIR No.	Date	Police Station	Sections	Directors/ Officers named in the FIR	Complainant/ Brief Contents of FIR	Action
BHL							
1.	12 of 10	12/1/2010	Gola	420/418/ 120B IPC, Section 22 of UP Sugarcane (Supply and Purchase) Act, 1953 Sugarcane Supply and Purchase Rules 1954, 3A of Sugarcane Control Order and 8 and 3/7 of EC Act, and	M/s Shishir Bajaj, Kushagra Nayan Bajaj, Ashok Kumar Gupta, Mehtab Singh	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Unauthorised deductions from sugarcane dues for the sugarcane purchased up to 6.1.2010. (2) Purchase of sugarcane in violation of the sugarcane purchase order. (3) Causing economic loss to the sugarcane farmers by violating the orders of authorities	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
2.	24 of 10	12/1/2010	Barkhera	418/419/420/423 IPC, section 22 of Sugarcane Act and 3/7 of EC Act	M/s Shishir Bajaj, Jitendra Sahni, Virpal Singh, Kuldip Pilonia	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) inciting farmers of areas not reserved by paying them at higher rates (2) Illegal purchase of sugarcane of other mill areas	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
3.	78	12.01.2010	Kotwali,	420/418/120B	M/s Shishir	On the complaint	Arrest of the

S. No.	FIR No.	Date	Police Station	Sections	Directors/ Officers named in the FIR	Complainant/ Brief Contents of FIR	Action
	of 2010		Sadar, Khambarkhera	IPC, UP Sugarcane Supply and Purchase Act, 1953	Bajaj, Kushagra Bajaj, Ashok Kumar Gupta, Naresh Chand Agarwal, Ompal Singh	of the Secretary, Sugarcane Growers Society. The Brie is: (1) Illegal deductions from payments to farmers (2) manual weighbridge not found operational (3) Charging of unloading charges from farmers (4) Disproportionate purchase of sugarcane at various centers	persons named in the FIR has been stayed by Allahabad High Court
4.	30 of 2010	13/1/2010	Palia	420/418120B IPC and Section 22 of UP Sugarcane (Supply and Purchase) Act, 1953 Sugarcane Supply and Purchase Rules 1954, 3A of Sugarcane Control Order and 8 and 3/7 of EC Act,	M/s Shishir Bajaj, Kushagra Nayan Bajaj, Ashok Kumar Gupta, Jogender Singh	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Fraudulent, dishonest and illegal purchase of sugarcane, cash payment (2) imbalanced purchase of sugarcane at various centers (3) Illegal recovery @ Rs. 10 per cart and Rs. 20 per trolley.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
5.	16 of 10	13/1/2010	Haldor (Bilai)	417/418/420/120 B IPC, 15/16/22 Cane (Supply and Purchase Act and 3/7 EC Act	M/s Akhilesh Kumar Mishra and Kushagra Nayan Bajaj	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Purchase of sugarcane from out the area reserved for the unit (poaching),(2) no records being made available for the poached sugarcane.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
6.	27 of 2010	13/1/2010	Kotwali Shahar, Sadar, Bijnor (Bilai)	420/418/264/265 IPC	M/s Jagdish Singh, Akhilesh Mishra and Kushagra Bajaj	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) underwighment	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
7.	56 of	13/1/2010	Banda, Punora,	420/418/120B IPC, 3/7 EC Act	M/s Kushagra Bajaj, SC	On the complaint of the Secretary,	Arrest of the persons

S. No.	FIR No.	Date	Police Station	Sections	Directors/ Officers named in the FIR	Complainant/ Brief Contents of FIR	Action	
	10		Shahjahanpur (Mqr)	and Cl. 3 of Vaccume Pan Processing Licensing Order	Sangal	Sugarcane Growers Society. The brief is as follows: (1) payment of Rs. 220/225 instead of 260 to farmers (2) Payment of money to farmers in cash.	named in the FIR has been stayed by Allahabad High Court	
8.	16 of 10	14/1/10	Sarurpur, Meerut (Kinauni Unit)	420/418/264/265/ 465/467/468/120 B IPC, 3/7 EC Act and UP Sugarcane Supply and Purchase Act, 1953.	M/s Shishir Bajaj, DP Sharma, Bijendra Singh, Satendra Singh	On the complaint of the Secretary, Sugarcane Growers Society. Underwe ighment	Arrest of the persons named in the FIR has been stayed by Allahabad High Court	
9.	25 of 10	14/1/2010	Thanabhawan, Shamli, Mzn	420/468/471/129 B IPC and 3/7 EC Act 15/16 of UP Sugarcane (Supply and Purchase Exchange) order and 6(1)(A and (f) of UP Sugar Purchase Order 1966 and section 5(1)(2)(3)(6) and 22 of UP Sugarcane Purchase and Supply order	M/s Shishir Bajaj, Kushagra Bajaj, Ashok Kumar, Parminder Arya	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Purchase of sugarcane from persons who are not legal members of sugarcane society (Poaching)	Arrest of the persons named in the FIR has been stayed by Allahabad High Court	
BHSIL								
1.	1 2 of 10	26 of 10	12/1/2010	Rudholi	419/420/120B IPC, 8 of UP Vaccume Pan Sugar Factories License Act,	M/s Kushagra Nayan Bajaj, Purshottam Dadheech, Dr. Swatantra Singh Kothari, Dr. Sanjeev Kumar, Pradeep Parakh, Manish Dongning, Rajendra Kumar Agarwal.	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) Illegal issue of Parchies and thus, purchase of sugarcane from the areas of other sugar mills.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court
2.	1 4 of 2010	12 of 2010	14/1/2010	Motiganj, Sadar, Ghonda (Kundarkhi)	120B/419/420/46 7/468 IPC and 3/7 EC Act	M/s Kushagra Bajaj, Purshottam Dadhech, SS Kothari, Pradeep Kumar Mittal, Pradeep Parakh, KS Vaidyanathan, Sukhbir Singh Malik	On the complaint of the Secretary, Sugarcane Growers Society. The brief is as follows: (1) payment of Rs. 220/225 instead of 260 to farmers (2) Payment of money to farmers in cash.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court

G. Proceedings initiated by/against Bajaj Consumer Care Limited, our Corporate Promoter

a) Tax Proceedings

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
1.	Income Tax Appellate Tribunal, Hyderabad	Bajaj Consumer Care Limited ('BCCL') v. ACIT, Circle 1(3), Hyderabad (Respondent)	BCCL has preferred this appeal dated March 2, 2009 against the order passed by the Respondent under section 250 of the Income tax Act, 1961 confirming the action of the Assessing Officer of reducing the amount of investment subsidy received by BCCL from opening WDV of assets and disallowing the depreciation by restricting the claim of depreciation on electrical fitting for the assessment year 2004-05.	0.19	The matter is pending hearing and final disposal.
2.	Commissioner of Income Tax (Appeal-II), Hyderabad	Bajaj Consumer Care Limited ('BCCL') v. ACIT, Circle 3, Hyderabad (Respondent)	BCCL has preferred this appeal dated January 12, 2009 under section 246A of the Income Tax Act, 1961 against the order dated December 30, 2008 passed by the Respondent under section 143(3) of the Income Tax Act, 1961 making certain disallowances and initiating penalty proceedings under section 271(1)(c) of the Income Tax Act for the assessment year 2006-07.	9.50	The matter is pending hearing and final disposal.
3.	The Commercial Taxes Tribunal, Bihar, Patna	Bajaj Consumer Care Ltd. (BCCL) v. State of Bihar	BCCL has filed a Revision Application with the Forum alongwith a Stay petition for execution of the order dated January 24, 2009 by the Joint Commissioner, Commercial Taxes (Appeals), Patna rejecting the appeal filed by BCCL against the order of the Assessing Officer imposing penalty on BCCL for the late filing of tax audit report for the year 2006-07.	0.1	The matter is pending hearing and final disposal.
4.	Joint Commissioner Commercial Taxes (Appeals)	Bajaj Consumer Care Ltd. (BCCL) v. State of Bihar	The Assessing Officer, Patna issued a Notice of Demand being No. 621 under section 25 and section 39 dated June 30, 2009 and passed an order dated May 25, 2009 imposing a tax liability on BCCL due to Non-Submission of forms 'F' & 'C' on time. BCCL then filed an appeal against this order before the deputy commissioner who upheld the order of the assessing officer. BCCL had filed an appeal against this order before the joint commissioner.	0.23	The matter is pending hearing and final disposal.
5.	The Commercial Taxes Tribunal, Bihar, Patna	Bajaj Consumer Care Ltd. (BCCL) v. State of Bihar	This matter is in relation to a penalty imposed on BCCL for late filing of Tax Audit Report for the year 2005-06. BCCL has filed a Revision Application alongwith a stay petition for execution of the order dated June 28, 2008 issued by the Joint Commissioner, Commercial Taxes (Appeals), Patna.	1.21	The matter is pending hearing and final disposal.
6.	The Commercial Taxes Tribunal, Bihar, Patna	Bajaj Consumer Care Ltd. (BCCL) v. State of Bihar	This matter is in relation to a penalty imposed on BCCL for late filing of Tax Audit Report for the year 2005-06. BCCL has filed a Revision Application alongwith a stay	0.13	The matter is pending hearing and final disposal.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			petition for execution of the order dated March 17, 2009 issued by the Joint Commissioner, Commercial Taxes (Appeals), Patna.		
7.	Appellate Deputy Commissioner, Indore	Bajaj Consumer Care Ltd. (BCCL) v. Assistant Commissioner, Circle-14, Indore	The Assistant Commissioner passed an order dated February 27, 2009 modifying the value addition amount and also the VAT payable on the same imposing a tax liability on BCCL. BCCL filed its appeal against the order.	0.11	The matter is pending hearing and final disposal.

b) Civil Proceedings

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
1.	Ahmedabad City Civil Court Suit No. 1065 of 2009	Bajaj Herbal Private Limited ('BHPL') v. Bajaj Consumer Care Limited ('BCCL')	BHPL has filed a suit for injunction and damages in May 2009 against BCCL and prayed that BCCL and its personnel are restrained from interfering with the business of BHPL and that the use of the word 'Bajaj' by BHPL is not an infringement of any registered trademarks. BHPL has also filed a notice of motion. The Forum granted an interim injunction to BHPL.	NA	The matter is pending hearing and final disposal.
2.	High Court, Bombay Suit No. 3265 of 2004	Bajaj Electricals Limited ('BEL') v. Bajaj Consumer Care Limited ('BCCL')	The case pertains to electrical installation for BCCL's factory at Hyderabad in the year 2000. BEL has filed a suit dated October 8, 2004 for the recovery of its dues from BCCL for the goods and services performed by BEL.	1.44	The matter is pending hearing and final disposal.
3.	Court of Chief Judge, City Civil Court, Hyderabad Suit No. 1065 of 2009	Bajaj Consumer Care Limited ('BCCL') v/s Sonali Associates, Nirupama Mohanty, B.K. Prasad, Bihudatta Mohanty and S.N. Das ('Defendants')	This case pertains to a dispute wherein the Defendants have failed to return the goods of the BCCL. BBCL has filed its affidavit on March 29, 2007.	6.47	The matter is pending hearing and final disposal.
4.	Court of Chief Judge, City Civil Court, Hyderabad A.S. No. 363 of 2009	Bajaj Consumer Care Limited ('BCCL') v/s Bali Pharmaceuticals ('Defendant')	BCCL filed a case of recovery being O.S. No. 1989 of 2005 before the court of the XI Senior Civil Judge City Civil Court, Hyderabad against the defendant for ayurvedic medicines supplied by BCCL. The suit was dismissed by the court on April 17, 2009 and the BCCL was ordered to pay the defendant costs of Rs. 6,254. BCCL has filed an appeal dated July 4, 2009.	0.2	The matter is pending hearing and final disposal.

c) Proceedings under Negotiable Instruments Act

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
1.	Additional Criminal Judicial Magistrate at Indore Criminal case no. 1574 of 2003	Bajaj Consumer Care Ltd. (BCCL) v. Arvind Enterprises	This matter pertains to a dishonor of cheque issued in favour of BCCL bearing No. 072005 dated April 18, 2003. The court has declared the Respondent as "FARAR" and issued a permanent warrant.	0.06	The matter is pending hearing and final disposal.
2.	Judicial Magistrate of First Class at Indore Criminal case no. 75 of 2005	Bajaj Consumer Care Ltd. (BCCL) v. Shri Balaji Traders (Mr. Kundan Singh as proprietor)	This matter pertains to a dishonor of cheque issued in favour of BCCL bearing cheque no. 602011 dated November 16, 2004.	0.06	The matter is pending hearing and final disposal.
3.	Additional Chief Metropolitan Magistrate At Hyderabad C.C. no 411 of 2006	Bajaj Consumer Care Ltd. (BCCL) v/s Bakshi Marketing	This matter pertains to a dishonor of cheque issued in favour of BCCL bearing cheque no. 002661 dated February 07, 2005.	0.09	The matter is pending hearing and final disposal.

H. Litigation for Group Companies

a) Bajaj Hindustan Limited ('BHL')

i. Supreme Court Case:

Bajaj Hindustan Limited ('BHL') v. State of Uttar Pradesh

Sugar mills in the State of Uttar Pradesh are required to procure sugarcane at the SAP which is announced by the State Government of Uttar Pradesh during each crushing season in exercise of the powers conferred upon it by Section 16 of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953.

The SAP fixed by the State Government of Uttar Pradesh for the crushing seasons of 2002-2003 and 2003-2004, which were fixed retrospectively, was challenged by the Western U.P. Sugar Mills Association, inter alia, on the ground of arbitrariness and lack of authority of the State Government to fix the SAP retrospectively. The Company is one of the several sugar mills that have been included as a party to this litigation, which is now pending as a civil appeal before the Supreme Court of India (the "Supreme Court"). Since payments to the farmers have been made, it is unlikely that any liability will arise in any manner on any sugar mills including those of the company.

In another matter, the State Government of Uttar Pradesh announced the State Advised Price(SAP) of Rs.125 per quintal for the crushing season of 2006-2007. Pursuant to writ petition No. 33288 of 2007, the company challenged the manner of fixation of SAP, inter alia, on the ground that the determination of SAP was without any specified norms, criteria and guidelines and accordingly, arbitrary and invalid. On December 19, 2007, the High Court of Judicature, Allahabad (the "Allahabad High Court"), inter alia, quashed the order of the State Government of Uttar Pradesh fixing the SAP for the crushing season 2006-2007 and further directed the State Government of Uttar Pradesh to form an expert committee represented by all the stakeholders, including representatives of cane growers, sugar producing factories and Government employees, within a period of three months and formulate a scientific and transparent cane pricing policy and re-assess the SAP for the crushing season of 2006-2007.

The State Government of Uttar Pradesh filed a petition for special leave to appeal (civil) No. 372-381 of 2008 before the Supreme Court challenging the Allahabad High Court's order. The Supreme Court stayed the operation of the judgment. On February 27, 2008, the Supreme Court pursuant to an interim order directed the payment of dues relating to the sale and purchase of sugarcane for the crushing

season of 2006-2007 at the rates of Rs.115 for declined unsuitable variety, Rs.118 for general variety, and Rs.123 for early variety, in each case per quintal.

The State Government of Uttar Pradesh announced SAP for the crushing season 2007-2008 at Rs.125 per quintal. In November 2007, certain sugar factories filed writ petitions before the Allahabad High Court, Lucknow Bench, at Lucknow (the “Lucknow Bench”), challenging the constitutional validity of Section 16 of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953 and sought quashing of the decision of the State Government of Uttar Pradesh fixing the SAP for the 2007-2008 crushing season. On November 15, 2007, an interim order was passed by the Lucknow Bench of the Allahabad High Court directing the sugar factories to pay the price of sugarcane to the cane growers at the rate of Rs.110 per quintal for the crushing season 2007-2008.

The State Government of Uttar Pradesh subsequently filed a petition for special leave to appeal before the Supreme Court. Simultaneously, certain sugar companies filed writ petition No. 3271 of 2008 before a different bench of the Allahabad High Court, which, on January 17, 2008 passed an interim order directing the payment for sugarcane at the rate of SMP of Rs.81.18 per quintal, as fixed by the Central Government for the 2007-2008 crushing season. Subsequently, on January 23, 2008 and February 5, 2008, the company filed writ petition Nos. 5210 of 2008 and 7827 of 2008 before the Allahabad High Court for identical reliefs as prayed for in the writ petition No. 3271 of 2008 in relation to the purchase price for sugarcane. On March 31, 2008, the Allahabad High Court passed an interim order directing the payment of sugarcane price for the 2007-2008 crushing season at the rate of SMP, and on August 18, 2008, passed judgment and final order, reiterating its interim order. This was also challenged before the Supreme Court through a special leave petition. On September 8, 2008, the Supreme Court pursuant to an interim order directed that the SAP for the crushing season of 2007-2008 would be Rs.110 per quintal and listing all the 17 pending matters before it.

All the appeals in relation to SAP are currently pending before the Supreme Court. The company will be liable to make further payment to farmers for the crushing seasons 2006-2007 and 2007-2008 if the Supreme Court decides the matter against it.

Bajaj Hindusthan Limited v. Union of India

The Sugarcane (Control) Order, 1966 (the “Order”), inter alia, provides for fixation of the FRP by the Central Government. Clause 3A of the Order, inserted pursuant to Notification No. GSR 185 (E) dated September 24, 1976, further provides for recovery of cost incurred by the owner of a sugar mill in connection with the transportation of sugarcane. This provision places a mandatory statutory limit on the transportation rebate that could be claimed by the owner of a sugar mill. The State Government of Uttar Pradesh had revised the transport rebate in 2002 to a maximum of Rs. 5.83 per quintal pursuant to an interim order passed by the Allahabad High Court. The company filed a civil writ petition No. 7885 of 2008 seeking further revision in transport rebate. The Allahabad High Court admitted the appeal and determined deduction at an amount of Rs.10.58 per quintal as a reasonable transportation rebate by its order dated April 21, 2008.

The State Government of Uttar Pradesh has filed a special leave petition (Civil) No. 1465 of 2008 challenging this decision of the Allahabad High Court, and such proceedings are presently pending before the Supreme Court. However, the prayer for a stay on the orders of the Allahabad High Court has been rejected by the Supreme Court.

Pursuant to orders published in Notification Nos. GSR 528 (E), GSR 529 (E) and GSR 530 (E), each dated July 16, 2009, the Order has been modified as set out below:

for the fiscal years 2006-2007 and 2007-2008, the transport rebate for certain states, including the state of Uttar Pradesh, has been fixed at the rate of Rs. 0.34 per quintal per kilometer subject to a maximum of Rs. 6.82 per quintal; and

for the fiscal year 2008-2009, the transport rebate for certain states, including the state of Uttar Pradesh, has been fixed at the rate of Rs. 0.37 per quintal per kilometer subject to a maximum of Rs. 7.36 per quintal.

Upon the issuance of the above notification, the SLP filed by the Government of Uttar Pradesh has become infructuous but pending final disposal.

Proceedings on Pollution Matters

A public interest litigation petition was initiated before the Supreme Court in 1990 against the State Government of Uttar Pradesh. A number of industries, mainly sugar and distillery units, including certain units of the company, situated along the banks of the river Gomti were also made parties to such petition, including BHL. The petitioner alleged failure on the part of the State Government of Uttar Pradesh towards cleaning of the river and installation of adequate sewage treatment plants, despite having funds made available by the Central Government for these purposes. Upon the directions of the Supreme Court, certain pollution control measures were carried out. Similar public interest litigation petitions were filed in respect of the river Ganga in 1985. However, the Supreme Court formulated certain action plans for both the rivers and transferred the cases to the Allahabad High Court, Lucknow Bench, at Lucknow to monitor the measures undertaken by, and issue appropriate directions to, the State Government of Uttar Pradesh. The pollution monitoring is underway and matter is pending.

Bajaj Hindusthan Limited v. M/s Monnet Sugar Ltd.

Pursuant to its Press Note Number 12 dated August 31, 1998 (the “Press Note”) and notification numbered SO 808(E) dated September 11, 1998 (the “Notification”), the Central Government de-licensed the sugar industry. Accordingly, sugar mills established subsequent to the Press Note and the Notification were not required to obtain an industrial license and were only required to file an Industrial Entrepreneurs Memorandum (the “IEM”) with the Secretariat for Industrial Assistance, Ministry of Commerce and Industry, Government of India.

Monnet Sugar Limited (the “Petitioner”) filed a writ petition No. 36685 of 2004 against the Union of India and others (the “Respondents”) in the Allahabad High Court challenging the constitutionality of the Press Note and the Notification whereby the Government deleted the sugar industry from the list of industries requiring compulsory licensing under the provisions of the IDRA. Pursuant to an order dated August 24, 2005, the Allahabad High Court upheld the Petitioner’s contention and quashed both the Press Note and the Notification on the basis that neither the Press Note nor the Notification could be given effect or further effect without sanction of law. As a result, the company, which was included as Respondent No. 6 in the petition, was debarred from establishing sugar units without obtaining any license under the IDRA, the permissions granted for purchasing and/or acquiring land under the Uttar Pradesh Zamindari Abolition and Land Reforms Act for establishing sugar units was cancelled and the Cane Commissioner was restrained from allocating any reserved area in favour of the company from the current area of the Petitioner.

The company filed a petition for special leave to appeal No. 18580/2005 against the judgment of the Allahabad High Court before the Supreme Court. Consequently, various other sugar-producing companies filed intervention applications in the appeal proceedings before the Supreme Court to be interpleaded as parties to such proceedings. Upon hearing the parties, on September 19, 2005 the Supreme Court stayed such judgment of the Allahabad High Court pending further orders. The Supreme Court also allowed the Cane Commissioner to fix, assign or reserve areas for various sugar mills in the State of Uttar Pradesh. The case is currently pending before the Supreme Court for final adjudication.

Pankaj Kumar Nevatia v/s Pradeep Kumar Nevatia & Bajaj Hindustan Limited (‘BHL’) and others

This case is in relation to a dispute wherein Bajaj Hindusthan Limited has been made a formal party. The plaintiff requested the Madras High Court to pass an interim injunction restraining the respondents who were various companies from alienating encumbering or transferring any shares and also issuing any dividends, bonus shares rights or benefits to anybody in respect of the shares in respective companies standing in the names of the petitioner or late Pramod Kumar Nevatia or jointly or severally in all the names. SLP being SLP to civil appeal nos. 11685 – 11686 of 2008 has been filed in the Supreme Court of India. The case is currently pending before the Supreme Court

ii. Tax Proceedings:

Show Cause Notices issued to BHL:

1. A demand cum show cause notice dated October 20, 2004 issued by Deputy Commissioner, Central Excise & Service Tax, Sitapur Division, was received by the Golagokarannath Unit of

BHL demanding duty on reprocessing loss of brown sugar during the years 1999-2000 and 2000-2001 amounting to Rs. 0.29 million. BHL had filed its reply vide letter dated November 20, 2004. Thereafter the Deputy Commissioner issued a summons dated October 24, 2009 to which BHL filed additional submission vide letter dated November 16, 2009. The matter is currently pending.

2. A demand cum show cause notice dated October 15, 2009 issued by The Deputy Commissioner Central Excise & Service Tax Division, Sitapur, was received by the Golagokarannath Unit of BHL demanding 10% duty on sale of bagasse sold during the period January 2009 to June 2009 amounting to Rs. 0.02 million. BHL has its reply vide letter dated January 04, 2010 and the matter is currently pending.
3. A show cause notice dated November 14, 2009 issued by Deputy Commissioner, Central Excise & Service Tax, Sitapur Division, was received by the Golagokarannath Unit of BHL for wrongly availing CENVAT credit of Service tax for the year 2007-08 amounting to Rs. 0.008 million. BHL has filed its reply vide letter dated January 04, 2010 and the matter is currently pending.
4. A demand cum show cause notice dated October 13, 2009 issued by Deputy Commissioner, Central Excise & Service Tax, Sitapur Division, was received by the Golagokarannath Unit of BHL demanding 10% duty on sale of bagasse sold during the period July 2008 to December 2008 amounting to Rs. 0.02 million. BHL has filed its reply vide letter dated January 04, 2010 and the matter is currently pending.
5. A show cause notice dated June 24, 2009 issued by Assistant Commissioner, Central Excise & Service Tax, Sitapur Division, was received by the Golagokarannath Unit of BHL for wrongly availing CENVAT credit for iron and steel items under CENVAT Credit Rules 2004 for the period from June 2008 to December 2008 amounting to Rs. 0.22 million. BHL has filed its reply vide letter dated July 31, 2009 and the matter is currently pending.
6. A show cause notice dated March 20, 2007 issued by Assistant Commissioner, Central Excise & Service Tax, Sitapur Division, was received by the Golagokarannath Unit of BHL demanding 10% duty on sale of bagasse sold for the period from April 2006 to September 2006 amounting to Rs. 0.15 million. BHL has filed its reply vide letter dated April 12, 2007 and the matter is currently pending.
7. A show cause notice dated November 19, 2008 issued by Assistant Commissioner, Central Excise & Service Tax, Sitapur Division, was received by the Golagokarannath Unit of BHL demanding 10% duty on sale of bagasse sold for the period from April 2008 to June 2008 amounting to Rs. 0.001million. BHL has filed its reply vide letter dated December 26, 2008 and the matter is currently pending.
8. A show cause notice dated October 13, 2009 issued by Deputy Commissioner Central Excise Division, Sitapur, was received by the Golagokarannath Unit of BHL demanding duty on reprocessing loss of brown sugar during the years 2007-08 amounting to Rs. 0.05 million. BHL has filed its reply vide letter dated November 25, 2008 and the matter is currently pending.
9. A show cause notice dated October 24, 2008 issued by Joint Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL demanding 10% duty on sale of bagasse sold for the period October 2007 to March 2008 amounting to Rs.1.75 million. BHL has filed its reply vide letter dated December 16, 2008 and the matter is currently pending.
10. A demand cum show cause notice dated August 22, 2007 issued by Additional Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL demanding 10% duty on sale of bagasse sold for the period from October 2006 to March 2007 amounting to Rs.3.58 million. BHL has filed its reply vide letter dated October 03, 2007 alongwith a condonation of delay dated October 09, 2007. The matter is currently pending.
11. A show cause notice dated November 16, 1999 being Notification No. 59/99-CE(NT) issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khambarkhera Unit of BHL demanding duty on loss of 225.80 Qtls. of BISS due to reprocessing due to abolition

of special provisions relating to reprocessing BISS/brown sugar amounting to Rs. 0.02 million and for rejection of the application filed by BHL for remission of duty.

12. A show cause notice dated January 6, 2003 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL demanding duty on 1451 bags of brown sugar and 1102 bags of BISS sugar lost due to reprocessing during the season 2001-02 amounting to Rs. 0.21 million and for rejection of the application filed by BHL for remission of duty. BHL has pleaded withdrawal of the demand by its reply dated March 4, 2004 and the matter is pending hearing.
13. A show cause notice dated November 28, 2003 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL demanding duty for reprocessing loss of 2824 Qlts of BISS/white sugar during the season 2002-03 amounting to Rs. 0.24 million and for rejection of the application filed by BHL for remission of duty. BHL has pleaded withdrawal of the demand by its reply dated December 23, 2003 and the matter is pending hearing.
14. A show cause notice dated December 2, 2003 issued by Deputy Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL demanding duty for reprocessing loss of BISS during the season 2002-03 amounting to Rs. 0.05 million and rejection of the application filed by BHL for remission of duty. The matter is pending hearing.
15. A show cause notice dated February 9, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL challenging the eligibility of CENVAT credit of Rs. 0.04 million availed by BHL on HR coils/plates received from M/s Premier Steels, Ghaziabad as 'Inputs'. The matter is pending hearing.
16. A show cause notice dated March 30, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL denying credit availed by BHL on welding electrodes amounting to Rs. 0.22 million. BHL has pleaded withdrawal of the show cause notice and the matter is pending hearing.
17. A show cause notice dated October 13, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL demanding duty on reprocessing loss of 631 Qlts of BISS during the season 2007-08 amounting to Rs. 0.06 million. Matter is pending hearing.
18. A show cause notice dated December 21, 2004 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL involving 8% reversal of duty on sale value of bagasse for the period of January 2004 and March 2004 amounting to Rs. 0.26 million. Matter is pending hearing.
19. A show cause notice dated April 3, 2008 issued by Joint Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL demanding duty on the sale of 423331 Qlts of bagasse (10% reversal of duty) during the period between April 2007 to September 2007 amounting to Rs. 1.98 million. Matter is pending hearing.
20. A show cause notice dated September 15, 2006 issued by Additional Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category and bagasse on the sale of 517934 Qlts of bagasse (10% reversal of duty) during the period between November 2005 to March 2006 amounting to Rs. 3.31 million. Matter is pending hearing.
21. A demand cum show cause notice dated February 3, 2009 issued by Additional Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL demanding additional sugar cess at increased rates amounting to RS. 1.87 million on clearance of sugar stock available on January 1, 2008 and March 1, 2008 at the duty paid godown of BHL made applicable to BHL vide Notification dated January 1, 2008 and February 25, 2008 issued by Department of Food & Public Distribution. BHL has pleaded withdrawal of the show cause notice by its reply dated March 4, 2009.

22. A show cause notice dated December 2, 2003 issued by Deputy Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL demanding duty for reprocessing loss of 24940 qtls of BISS during the season 1998-99 amounting to Rs. 0.29 million. BHL has pleaded withdrawal of the show cause notice by its reply dated November 16, 2009.
23. A show cause notice dated April 26, 2004 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL for use of common inputs by BHL on account of which duty credit has been availed in the manufacture of dutiable as well as exempted final products and failure to maintain separate accounts of common inputs used by them in the manufacture of dutiable and exempted goods i.e. 8% reversal of duty on sale value of bagasse for the period April 2003 to May 2003 amounting to Rs. 0.33 million. BHL has pleaded to withdraw the demand by its reply dated May 20, 2004.
24. A show cause notice dated March 9, 2004 issued by Assistant Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL for use of common inputs by BHL on account of which duty credit has been availed in the manufacture of dutiable as well as exempted final products and failure to maintain separate accounts of common inputs used by them in the manufacture of dutiable and exempted goods i.e. 8% reversal of duty on sale value of bagasse amounting to Rs. 0.66 million. BHL has pleaded to withdraw the impugned demand by its reply dated April 3, 2004.
25. A show cause notice being DSCN No. 57-DEM/STP/04 dated May 26, 2004 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Golagokarannath Unit of BHL for use of common inputs by BHL on account of which duty credit has been availed in the manufacture of dutiable as well as exempted final products and failure to maintain separate accounts of common inputs used by them in the manufacture of dutiable and exempted goods i.e. 8% reversal of duty on sale value of bagasse for the period June 2003 to December 2003 amounting to Rs. 0.34 million. BHL has filed its reply dated June 21, 2004.
26. A show cause notice dated November 17, 2005 issued by Additional Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL, relating to the payment of excise duty on sale of bagasse amounting to RS. 4.42 million. BHL filed a reply dated 12 December 2005 to the show cause notice and the matter is pending hearing and order.
27. A show cause notice dated November 17, 2005 issued by Commissioner, Central Excise, Lucknow was received by the Golagokarannath Unit of BHL pertaining to demand of duty issued by the department against BHL on the sale of bagasse valued at Rs. 44.23 million (10% reversal of duty) during the period between November 2004 to May 2005. BHL has filed its reply on December 17, 2005 and matter is pending hearing.
28. A show cause notice dated October 08, 2008 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL demanding duty on reprocessing loss of brown sugar during the years 2006-07 and reprocessed in the crushing season of 2007-08 amounting to Rs. 0.03 million. BHL has filed their reply vide letter dated November 11, 2008 alongwith an additional submission on November 16, 2008 and the matter is currently pending.
29. A show cause notice dated February 09, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL denying CENVAT credit on input received from M/S Premier Steel, Ghaziabad amounting to Rs. 0.006 million. BHL has filed their reply vide letter dated March 12, 2009 and the matter is currently pending.
30. A show cause notice dated October 13, 2009 issued by Deputy Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL for demand of duty on reprocessing loss of brown sugar during the years 2007-08 and reprocessed in the crushing season of 2008-09 amounting to Rs. 0.04 million. BHL has filed their reply vide letter dated November 25, 2009 and the matter is currently pending.
31. A show cause notice dated July 06, 2009 issued by Assistant Commissioner, Central Excise and Service Tax Division, Sitapur was received by the Paliakalankalan Unit of BHL for CENVAT credit availed by BHL on Insurance auxiliary service under rule 2(1) of CENVAT

credit rules, 2004 during the month of June 2008 amounting to Rs. 0.05 million. BHL has filed their reply vide letter dated July 27, 2009 and the matter is currently pending.

32. A show cause notice dated August 03, 2009 issued by Additional Commissioner Central Excise and Service Tax Commissionerate, Lucknow was received by the Paliakalankalan Unit of BHL for CENVAT credit availed by BHL on Insurance auxiliary service under rule 2(1) of CENVAT credit rules, 2004 during the months of July 2008 to December 2008 amounting to Rs. 0.55 million. BHL has filed their reply vide letter dated September 14, 2009 alongwith an additional submission on December 22, 2009 and the matter is currently pending.
33. A demand cum show cause notice dated November 19, 2008 issued by Assistant Commissioner, Central Excise and Service Tax Division, Sitapur was received by the Paliakalankalan Unit of BHL for demand of 10% duty on sale of bagasse sold during the October 2007 amounting to Rs. 0.04 million. BHL has filed their reply vide letter dated December 26, 2008 and the matter is currently pending.
34. A show cause notice dated November 24, 2008 issued by Assistant Commissioner, Central Excise and Service Tax Division, Sitapur was received by the Paliakalankalan Unit of BHL for credit availed on the loss of Molasses amounting to Rs. 0.5 million. BHL has filed their reply vide letter dated December 31, 2008 and additional submissions vide letters dated October 22, 2009 and December 22, 2009. Matter is currently pending.
35. A show cause notice dated July 16, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL pertaining to demand of duty issued by the department against BHL on the sale of 6904 Qtls of bagasse during the period between July 2008 to December 2008 amounting to Rs. 0.01 million. Matter is pending hearing.
36. A show cause notice dated April 3, 2008 issued by Joint Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL demanding duty on sale of bagasse sold during the period April 2007 and September 2007 due to use of cenvetable inputs in the manufacture of bagasse. Amounting to Rs. 0.85 million. BHL has pleaded for withdrawal of the show cause notice and matter is pending hearing.
37. A show cause notice dated February 27, 2007 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL demanding duty i.e.10% of the total value of bagasse sold during the period March 2006 and September 2006 due to use of cenvetable inputs in the manufacture of bagasse amounting to Rs. 0.43 million. BHL has pleaded for withdrawal of the show cause notice and matter is pending hearing.
38. A show cause notice dated March 30, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL denying the credit availed by BHL on iron & steel items taken as inputs of capital goods manufactured in the factory unit between April 2008 and December 2008 amounting to Rs. 0.33 million. BHL has pleaded for withdrawal of the show cause notice and matter is pending hearing.
39. A show cause notice dated May 8, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL denying CENVAT credit availed by BHL on service tax paid for insurance of vehicles and stock of sugar and molasses as input service covered under 'Insurance auxiliary service' during the month of April 2008 and May 2008 amounting to Rs. 0.12 million. The matter is pending hearing.
40. A show cause notice dated March 30, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL denying credit availed by BHL on welding electrodes used as 'inputs' for the period between April 2008 to December 2008 amounting to Rs. 0.15 million. Matter is pending hearing.
41. A show cause notice dated January 22, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL demanding additional sugar cess at increased rates amounting to Rs. 0.37 million on clearance of sugar stock available on January 1, 2008 and March 1, 2008 at the duty paid godown of BHL made applicable to BHL vide Notification dated January 1, 2008 and February 25, 2008 issued by Department of Food & Public Distribution. Matter is pending hearing.

42. A show cause notice dated October 13, 2009 issued by Deputy Commissioner, Central Excise and Service Tax, Sitapur was received by the Paliakalankalan Unit of BHL alleging common inputs in the manufacture of dutiable as well as exempted goods i.e. of bagasse and not maintaining separate accounts of inputs and demanding 10% of the price of bagasse cleared during the period January 2009 to June 2009 amounting to Rs. 0.01 million. BHL has pleaded to withdraw the demand notice. 11,853 and the matter is pending hearing.
43. A show cause notice dated November 19, 2008 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL pertaining to demand of duty i.e. 10% of sale value of bagasse issued by the department against BHL on the sale of 28764 Qtls of bagasse cleared during the period between April 2008 to June 2000 amounting to Rs. 0.07 million. BHL has pleaded to withdraw the show cause notice and the matter is pending hearing.
44. A show cause notice dated August 22, 2007 issued by Additional Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category i.e. on the sale of bagasse during the period October 2006 to March 2007 amounting to Rs. 4.47 million. Matter is pending hearing.
45. A show cause notice dated January 19, 2009 issued by Additional Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL demanding service tax on lease rent received from Ojas & R.K. Alloys under the head "Banking and other financial service" for the period November 2004 and May 2007 amounting to Rs. 2.79 million. BHL replied stating that the same amount was demanded by notice dated October 19, 2007 and also that matter is barred by limitation. Matter is currently pending.
46. A show cause notice dated December 16, 2008 issued by Additional Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category i.e. Bagasse on the sale of 37158 Qtls of bagasse during the period from October 2007 to March 2008 amounting to Rs. 1.46 million.
47. A show cause notice dated November 29, 2004 issued by Deputy Commissioner, Central Excise and Service Tax, Sitapur was received by the Paliakalankalan Unit of BHL demanding duty on for 19349 qtls. bags of BISS sugar lost due to reprocessing during the season 1998-99,1999-2000,2000-01 and 2001-02 amounting to Rs. 0.18 million. BHL has pleaded to withdraw the show cause notice by its reply dated November 16, 2009.
48. A show cause notice dated April 26, 2004 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalankalan Unit of BHL for use of common inputs by BHL on account of which duty credit has been availed in the manufacture of dutiable as well as exempted final products and failure to maintain separate accounts of common inputs used by them in the manufacture of dutiable and exempted goods i.e. 8% reversal of duty on sale value of bagasse for the period April 2003 to May 2003 amounting to Rs. 0.30 million. BHL has pleaded to withdraw the demand by its reply dated May 20, 2004.
49. A show cause notice dated December 20 2004 issued by Joint Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL relating to the incorrect credit of CENVAT on inputs and capital goods from December 2003 to March 2004 amounting to Rs. 1.35 million. BHL filed a reply dated 18 January 2005 to the show cause notice and matter is pending for hearing and order.
50. A show cause notice dated April 27, 2005 issued by Joint Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL relating to excise duty payable on the sale of bagasse from April 2000 to March 2003 amounting to Rs. 3.53 million. BHL filed a reply dated 5 May 2005 to the show cause notice and the matter is pending for hearing and order.

51. A show cause notice dated November 17, 2005 issued by Joint Commissioner, Central Excise, Lucknow was received by the Paliakalankalan Unit of BHL relating to excise duty payable on the sale of bagasse from December 2004 to June 2005 amounting to Rs. 2.21 million. BHL filed a reply dated 17 December 2005 to the show cause notice and the matter is pending hearing and order.
52. A show cause notice dated June 28, 2004 being DSCN No.72-DEM/STP/04 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalan Unit of BHL involving 8% reversal of duty on sale value of bagasse amounting to Rs. 0.49 million . Matter is pending hearing.
53. A show cause notice dated May 27, 2004 being DSCN No.58-DEM/STP/04 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Paliakalan Unit of BHL involving 8% reversal of duty on sale value of bagasse amounting to Rs. 0.32 million . The company then wrote a letter dated June 05, 2004 to the Assistant Commissioner, Central Excise asking them to club the matter with DCSCN 40/2004 dated April 26, 2004. Matter is pending hearing.
54. A show cause notice DSCN No.29-Dem/STP/2007 dated September 25, 2007 issued by Deputy Commissioner, Central Excise and Service Tax, Sitapur was received by the Paliakalankalan Unit of BHL demanding duty on reprocessing loss of BISS during the season 2006-07 amounting to Rs. 0.03 million. BHL has filed its reply dated October 23, 2008.
55. A show cause notice dated October 12, 2009 issued by Office of Commissioner of Customs & Central Excise, Lucknow was received by the Maqsoodpur Unit of BHL for CENVAT credit availed by BHL on Insurance auxiliary service under rule 2(1) of CENVAT credit rules, 2004 during the years 2006-07, 2007-08 & 2008-09 amounting to Rs. 1.83 million. BHL has filed their reply vide letter dated December 02, 2009 and the matter is currently pending.
56. A demand cum show cause notice dated October 15, 2009 issued by Office of Commissioner of Customs & Central Excise, Lucknow was received by the Maqsoodpur Unit of BHL for demand of duty on reprocessing loss of brown sugar during the year 2008-2009 amounting to Rs. 0.01 million. BHL has filed their reply vide letter dated November 25, 2009 and the matter is currently pending.
57. A show cause notice dated February 05, 2009 issued by Commissioner, Central Excise, Meerut was received by the Gangnauli Unit of BHL for CENVAT Credit availed by BHL on denial of CENVAT credit on various input services from period of January 2008 to September 2008 amounting to Rs. 15.90 million. BHL has filed their reply vide letter dated March 12, 2009 alongwith additional submission vide letter dated May 19, 2009 and the matter is currently pending.
58. A show cause notice dated July 7, 2008 issued by Commissioner, Central Excise, Meerut was received by the Gangnauli Unit of BHL denying the CENVAT credit of Rs. 0.33 million availed by BHL on “inputs” services i.e. Erection, commissioning and installation services and insurance auxiliary services for setting up the distillery division by BHL. BHL has pleaded withdrawal of the demand notice by its reply dated September 22, 2009.
59. A show cause notice dated July 17, 2008 issued by Commissioner, Central Excise, Meerut was received by the Gangnauli Unit of BHL denying the CENVAT credit of Rs. 1.22 million availed by BHL on “inputs” used in fabrication of capital goods used by BHL in its distillery for manufacturing of dutiable and non-dutiable goods for the period between May 2006 and June 2007. BHL has pleaded withdrawal of demand by its reply dated September 22, 2009.
60. A show cause notice dated August 6, 2008 issued by Commissioner, Central Excise Division, Saharanpur was received by the Gangnauli Unit of BHL relating to the improper credit of CENVAT on inputs, capital goods and input services for the period of July 2007 to May 2008 amounting to Rs. 0.39 million. Personal hearing has been arranged and the matter is pending adjudication.
61. A show cause notice dated 19 May 2009 issued by Superintendent Customs and Central Excise Division, Saharanpur was received by the Gangnauli Unit of BHL relating to the

incorrect credit of CENVAT from the period of May to December 2008 amounting to Rs. 0.15 million. BHL filed a reply dated 1 July 2009 to the show cause notice. A personal hearing was fixed for August 25, 2009 and order is awaited.

62. A show cause notice dated February 13, 2009 issued by Superintendent Customs and Central Excise Division, Saharanpur was received by the Gangnauli Unit of BHL relating to the incorrect credit of CENVAT for the financial year February 2008 to November 2008 amounting to Rs. 0.09 million. BHL filed a reply dated 17 March 2009 to the show cause notice. Personal hearing was held on November 19, 2009 and order is awaited.
63. A show cause notice dated May 8, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khambarkhera Unit of BHL denying the CENVAT credit of Rs. 0.33 million availed by BHL on the outward transportation of finished goods used as "inputs" for manufacture from the period April 2007 and December 2008. BHL has pleaded for withdrawal of the demand notice by its reply dated June 15, 2006.
64. A show cause notice dated February 4, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khambarkhera Unit of BHL denying the CENVAT credit of Rs. 0.005 million availed by BHL on HR coils received as "inputs" from M/s Premier Steels, Ghaziabad for the month of April 2006. BHL has pleaded for withdrawal of the demand notice by its reply dated March 12, 2009.
65. A show cause notice dated January 22, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khambarkhera Unit of BHL demanding Rs. 0.24 million as additional sugar cess at increased rates of Rs. 15 per Qtl on clearance of sugar stock available on January 1, 2008 and Rs. 24 per Qtl on clearance of sugar stock available on March 1, 2008 at the duty paid godown of BHL made applicable to BHL vide Notification dated February 25, 2008 issued by Department of Food & Public Distribution.
66. A show cause notice dated September 25, 2008 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khambarkhera Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category i.e. Electricity sold to UPPCL during the period between August 2007 to November 2007 amounting to Rs. 0.02 million. BHL has pleaded for withdrawal of the demand notice by its reply dated December 2, 2008.
67. A show cause notice dated July 16, 2009 issued by Deputy Commissioner, Central Excise, Sitapur was received by the Khambarkhera Unit of BHL denying credit availed by BHL on welding electrodes used as 'inputs' for the period between July 2008 to April 2009 amounting to Rs. 0.08 million. BHL has pleaded for withdrawal of the demand notice by its reply dated August 6, 2009.
68. A show cause notice dated December 30, 2008 issued by Additional Commissioner, Customs, Central Excise and Service Tax, Lucknow was received by the Khambarkhera Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category i.e. Electricity sold to UPPCL during the period from December 2007 to March 2008 amounting to Rs. 4.59 million. BHL has pleaded for withdrawal of the demand notice by its reply dated February 2, 2009.
69. A show cause notice dated August 22, 2007 issued by Additional Commissioner, Customs, Central Excise and Service Tax was received by the Khambarkhera Unit of BHL demanding duty on sale of bagasse sold due to use of conventable inputs in the manufacture of bagasse amounting to Rs. 1.41 million. BHL has pleaded for withdrawal of the show cause notice by its reply dated October 8, 2007.
70. A show cause notice dated August 3, 2009 issued by Additional Commissioner, Customs, Central Excise and Service Tax was received by the Khambarkhera Unit of BHL denying the CENVAT credit availed by BHL on "inputs" used for manufacturing of Bio-gas plant amounting to Rs. 2.43 million. BHL has pleaded for withdrawal of the show cause notice by its reply dated September 14, 2009 and additional reply dated December 22, 2009.

71. A show cause notice dated November 18, 2008 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khamberkhera Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category i.e. Electricity sold to UPPCL during the period between May 2007 to July 2007 amounting to Rs. 0.32 million. BHL has pleaded for withdrawal of the demand notice by its reply dated December 31, 2008.
72. A show cause notice dated April 22, 2009 issued by Assistant Commissioner, Central Excise, Sitapur was received by the Khamberkhera Unit of BHL pertaining to CENVAT credit availed by BHL on common inputs in the manufacture of excisable final products of dutiable as well as excisable products of exempted category i.e. Electricity sold to UPPCL during the period from April 2008 to October 2008 amounting to Rs.1.25 million .BHL has pleaded for withdrawal of the demand notice by its reply dated May 20, 2009.
73. A show cause notice dated September 5, 2007 issued by Joint Commissioner, Central Excise, Meerut-II was received by the Barkhera Unit of BHL denying CENVAT credit availed by BHL on certain inputs & capital goods used for manufacture of machinery amounting to Rs. 1.32 million.
74. A show cause notice dated September 26, 2007 issued by Joint Commissioner, Central Excise, Meerut-II was received by the Barkhera Unit of BHL denying CENVAT credit availed by BHL on certain inputs & capital goods used for manufacture of machinery for the period between September 2006 to January 2007 amounting to Rs.2.34 million .
75. A show cause notice dated May 26, 2009 issued by Assistant Commissioner, Central Excise, Bareilly was received by the Barkhera Unit of BHL denying CENVAT credit availed by BHL of Rs.0.12 million. on electric panels as capital goods. BHL has pleaded withdrawal of show cause notice by its reply dated June 30, 2009 and matter is pending hearing.
76. A show cause notice dated May 8, 2008 issued by Assistant Commissioner, Central Excise, Bareilly was received by the Barkhera Unit of BHL denying CENVAT credit availed by BHL of Rs. 0.34 million on certain 'inputs' as capital goods during the period between April 2007 and September 2007. BHL has pleaded withdrawal of show cause notice by its reply dated June 9, 2008 and matter is pending hearing
77. A show cause notice dated April 9, 2008 issued by Assistant Commissioner, Central Excise, Bareilly was received by the Barkhera Unit of BHL denying CENVAT credit availed by BHL of Rs. 0.14 million on certain 'inputs' (steel items) as capital goods during the period March, 2007. BHL has pleaded withdrawal of show cause notice by its reply dated April 9, 2008 and matter is pending hearing.
78. A show cause notice dated May 1, 2009 issued by Assistant Commissioner, Central Excise, Bareilly was received by the Barkhera Unit of BHL disallowing the CENVAT credit of Rs.0.2 million availed by BHL on welding electrodes as 'inputs' for the period between April 2008 to November 2008. BHL has pleaded for withdrawal of the demand notice and return of CENVAT credit reversed under protest.
79. A show cause notice dated May 7, 2009 issued by Assistant Commissioner, Central Excise, Bareilly was received by the Barkhera Unit of BHL disallowing the CENVAT credit of Rs. 0.01 million as 'inputs' on MS flat, which was used in fabrication of evaporator, pan and crystallizer of boiling house and Rs. 0.04 availed by BHL on shaft, head & tail shaft, tool bits as capital goods for the period between April 2008 to October 2008.BHL has pleaded for withdrawal of the demand notice and matter is pending hearing.
80. A show cause notice dated November 7, 2009 issued by Assistant Commissioner, Central Excise, Bareilly was received by the Barkhera Unit of BHL disallowing the CENVAT credit of Rs.0.0.29 million availed by BHL on chequered plate as "inputs" and Rs. 2165 on tool bits as capital goods for the period between October 2007 to March 2008. BHL has pleaded for withdrawal of the demand notice and matter is pending hearing.
81. A show cause notice dated June 2, 2008 issued by Assistant Commissioner, Central Excise, Muzaffarpur was received by the Billai Unit of BHL denying CENVAT credit of Rs. 0.37

million availed by BHL on certain inputs and capital goods during the period between May 2007 and August 2008. BHL has pleaded for withdrawal of the demand by its reply dated July 13, 2008.

82. A show cause notice dated May 7, 2008 issued by Assistant Commissioner, Central Excise, Muzaffarpur was received by the Billai Unit of BHL denying CENVAT credit of Rs.0.46 million availed by BHL on inputs during April 2007 and Rs. 0.01 million on capital goods and Rs.0.42 million on 50% credit taken on capital goods. BHL has pleaded for withdrawal of the demand by its reply dated June 1, 2008.
83. A show cause notice dated November 22, 2006 issued by Assistant Commissioner, Central Excise, Meerut I was received by the Billai Unit of BHL denying CENVAT credit of Rs. 1.49 million availed by BHL on inputs during January 2006 and March 2006 and Rs. 136,236 on capital goods. BHL has pleaded for withdrawal of the demand by its reply dated January 10, 2007.
84. A show cause notice dated October 20, 2009 issued by Assistant Commissioner, Central Excise Division I, Muzaffarnagar was received by the Budhana/Bhaisana Unit of BHL involving 10% reversal of duty on sale value of Mud Press and Bagasse for the period of April 2008 to September 2008 amounting to Rs. 0.1 million BHL has filed reply to show cause notice and case is pending before the adjudicating authority.
85. A show cause notice dated March 30, 2009 issued by Assistant Commissioner, Central Excise, Mangal Pandey Nagar, Meerut I was received by the Budhana/Bhaisana Unit of BHL relating to the wrong credit of CENVAT on various inputs and capital goods for the period from March 2008 to December 2008 amounting to Rs. 1.54 million. BHL has filed reply to show cause notice and case is pending before the adjudicating authority.
86. A show cause notice being SCN No. V(15)Off/Adj-I/160/06/800 dated January 18, 2007 was received by the Budhana/Bhaisana Unit of BHL relating to the wrong credit of CENVAT by BHL on various inputs and capital goods for the period from January 2006 to August 2006 amounting to Rs. 64.62 million BHL has filed reply to show cause notice and personal hearing was held on August 21, 2007.
87. A show cause notice dated June 5, 2009 issued by Assistant Commissioner, Central Excise, Mangal Pandey Nagar, Meerut I was received by the Kinauni Unit of BHL relating to the improper credit of certain 'inputs service' by BHL relating to Service Tax, for the period from October 2006 to September 2007 amounting to Rs.0.29 million. BHL has filed reply to show cause notice and personal hearing was held on November 17, 2009
88. A show cause notice dated April 24, 2009 issued by Commissioner, Central Excise Division, Meerut was received by the Kinauni Unit of BHL relating to the improper credit of CENVAT amounting to Rs. 10.94 million. BHL has filed reply to show cause notice and case is pending adjudication.
89. A show cause notice dated February 12, 2008 issued by Commissioner, Central Excise Division, Meerut was received by the Kinauni Unit of BHL relating to the improper credit of CENVAT towards molasses storage tanks amounting to Rs.5.47 million. BHL has filed reply dated April 1, 2009 to show cause notice and case is pending adjudication.
90. A show cause notice dated February 24, 2009 issued by Commissioner, Customs, Central Excise and Service Tax, Meerut was received by the Kinauni Unit of BHL relating to the incorrect credit of CENVAT on inputs and capital goods amounting to Rs. 10.94 million. BHL filed a reply dated 15 June 2009 to the show cause notice and matter is pending for hearing and order.
91. A show cause notice dated May 7, 2008 issued by Commissioner of Customs and Central Excise, Meerut was received by the Thanbhavan Unit of BHL relating to the incorrect credit of CENVAT from April 2007 to February 2008 amounting to Rs.3.46 million. BHL filed a reply dated June 9, 2008 to the show cause notice. Personal hearing has been held and order is awaited.

92. A show cause notice dated January 18, 2007 issued by Commissioner of Customs and Central Excise, Meerut was received by the Thanbhavan Unit of BHL relating to the incorrect credit of CENVAT from January 2006 to August 2006 amounting to Rs.55.37 million. BHL filed a reply dated 10 April 2007 to the show cause notice. Personal hearing has been held and order is awaited.
93. A show cause notice dated March 27, 2009 issued by Commissioner of Customs and Central Excise, Meerut was received by the Thanbhavan Unit of BHL relating to the incorrect credit of CENVAT on inputs and capital goods from March 2008 to December 2008 amounting to Rs. 1.33 million. BHL filed a reply dated May 4, 2009 to the show cause notice and intimation of personal hearing is awaited.
94. A demand cum show cause notice dated November 10, 2009 was received by the Thanabhawan Unit of BHL demanding 10% duty on sale of bagasse sold amounting to Rs. 0.61 million. BHL has its reply vide letter dated January 11, 2010 and the matter is currently pending.

Tax Cases filed and pending against BHL:

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
GOLAGOKARANNATH UNIT					
1.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') vs. Commissioner of Central Excise (Appeals), Lucknow.	The Office of Assistant Commissioner Central Excise Division, Sitapur issued a Demand cum Show Cause Notice dated May 27, 2004 being 67-DEM/STP/04 to the BHL for CENVAT Credit availed by BHL on account of duty paid on welding electrodes for the month of June 2003 to July 2003 amounting to Rs. 127,487/-.	0.09	The Matter is pending.
	Appeal No. 62/2005		<p>The Assistant Commissioner, Central Excise Division vide his order dated February 16, 2005 allowed credit of Rs.31,263/- and confirmed demand of Rs. 96,224/- and penalty of Rs. 25,000/-. On appeal against the order of Assistant Commissioner, Central Excise Division, the Commissioner of Central Excise (Appeals) confirmed the demand vide his order dated July 28, 2005 and withdrew the penalty. BHL filed this appeal against the order of Commissioner of Central Excise (Appeals).</p> <p>BHL also filed a stay application against the order of the Commissioner of Central Excise (Appeals) for which CESTAT stayed the execution of the order of Rs.61,578/- but directed to pre-deposit Rs.34,646/-.</p> <p>The Forum ordered a fresh trial of the suit and directed it back to the Adjudicating authority. Based on the order the matter is to be transferred to the Adjudicating authority.</p>		
2.	Commissioner (Appeals) Central Excise, Lucknow	Bajaj Hindustan Limited ('BHL') vs. Deputy Commissioner, Central Excise, Sitapur Division	The Office of Deputy Commissioner Central Excise, Sitapur Division issued a Show Cause Notice dated October 03, 2008 being 23/Dem/STP/2008 to the BHL for CENVAT Credit availed by BHL on account of duty paid on welding electrodes for the period from November 2007 to March 2008 amounting to Rs. 41,259/-.	0.04	The Matter is pending.
	Appeal No. 03 of 2010				

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			<p>The Assistant Commissioner, Central Excise Division vide his order dated October 30, 2009 confirmed and ordered a recovery of Rs. 41,259/-. BHL filed this appeal against the order of Assistant Commissioner, Central Excise Division: Sitapur before Commissioner of Central Excise (Appeals).</p> <p>BHL also filed a stay application against the execution for the order of Assistant Commissioner.</p>		
3.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner, Central Excise, Lucknow vs. Bajaj Hindustan Limited ('BHL')	<p>The Office of Assistant Commissioner Central Excise Division, Sitapur issued a Demand cum Show Cause Notice dated February 25, 2008 being No.3/STP/Dem/2008 to the BHL for CENVAT Credit availed by BHL on account of duty paid on welding electrodes for the month of May 2007 to October 2007 amounting to Rs. 142,997/-.</p> <p>The Assistant Commissioner, Central Excise Division vide his order dated July 21, 2008 confirmed demand of Rs. 142,997/-. On appeal against the order of Assistant Commissioner, Central Excise Division, the Commissioner of Central Excise (Appeals) vide order dated December 19, 2008 allowed BHL for the availment of CENVAT credit on account of duty paid on welding electrodes. The Additional Commissioner (Review) on behalf of the Commissioner, Central Excise, Lucknow filed this appeal against the order of Commissioner of Central Excise (Appeals) based on the Review order issued by the Office of the Commissioner, Central Excise & Service Tax, Lucknow.</p> <p>BHL has filed the objections on this Appeal on September 25, 2009.</p>	0.14	Matter is pending.
4.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner, Central Excise, Lucknow vs. Bajaj Hindustan Limited ('BHL')	<p>The Office of Assistant Commissioner Central Excise Division, Sitapur issued a Demand cum Show Cause Notice dated July 30, 2007 being 18-Dem/STP/07 to the BHL for CENVAT Credit availed by BHL on account of duty paid on welding electrodes for the month of August 2006 to March 2007 amounting to Rs. 248,275/-.</p> <p>The Assistant Commissioner, Central Excise Division vide his order dated June 13, 2008 confirmed demand of Rs. 248,275/-. On appeal against the order of Assistant Commissioner, Central Excise Division, the Commissioner of Central Excise (Appeals) vide order dated November 11, 2008 allowed BHL for the availment of CENVAT credit on account of duty paid on welding electrodes. The Additional Commissioner (Review) on behalf of the Commissioner, Central Excise, Lucknow filed this appeal against the order of Commissioner of Central Excise (Appeals) based on the Review order issued by the Office of the Commissioner, Central Excise</p>	0.25	Matter is pending.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			& Service Tax, Lucknow.		
			BHL has filed the objections on this Appeal on September 25, 2009.		
5.	Commissioner (Appeals), Central Excise and Service Tax, Lucknow Appeal No. 144 of 2009	Bajaj Hindustan Limited, Gokarannath v. Deputy Commissioner, Central Excise, Sitapur	This case pertains to the show cause notice DSCN No.102-DEM/STP/04 dated December 18, 2004 demanding duty on loss of moist sugar due to reprocessing during the season 2003-04 and rejection of the application filed by BHL for remission of duty. The Deputy Commissioner, Central Excise, Sitapur rejected the request of BHL for remission of central excise duty of Rs. 36,465 on loss of 429 Qlts of moist sugar. This is an appeal filed by BHL to set aside the order passed by the Deputy Commissioner, Central Excise, Sitapur on October 28, 2009.	0.03	The Matter is pending.
6.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi Appeal No. E/3379/05	Bajaj Hindustan Limited ('BHL') v. Commissioner of Central Excise	This case pertains to the show cause notice DSCN 85-DEM/STP/2004 dated August 27, 2004 disallowing the CENVAT credit of Rs.227,740 availed by BHL on welding electrodes, jointing sheets, stagind structure etc. for the period between August 2003 to September 2003. The Assistant Commissioner allowed the credit of Rs.98,355 but confirmed the demand of Rs.129,385 and imposed a penalty of Rs. 45,000 by the order dated February 25, 2002. On appeal the Commissioner (Appeals) Customs and Central Excise, Lucknow confirmed the demand but dropped the penalty by the order dated July 28, 2005. The order of the Commissioner (Appeals) Customs and Central Excise, Lucknow is challenged before CESTAT. CESTAT stayed the recovery of Rs. 64,436 and directed	0.12	The Matter is pending.
7.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner of Central Excise, Lucknow	This case pertains to show cause notice SCN No.19-Dem/STP/08 dated June 23, 2008 in respect of the CENVAT credit taken on steel items as input, which was disallowed by the department. The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No.05/AC/STP/DEM/Cenvat/2009 dated January 30, 2009, which is challenged before the Commissioner (Appeals), Central Excise, Lucknow. Commissioner (Appeals), Central Excise, Lucknow upheld the order of the Assistant Commissioner, Central Excise, Sitapur vide the order dated November 5, 2009, which is being challenged before the CESTAT.	0.48	The Matter is pending.
8.	Customs, Excise, and Service Tax Appellate	Bajaj Hindustan Limited ('BHL') v. Commissioner	This case pertains to the show cause notice SCN No.09/STP/97 dated January 23,1998 regarding the demand of duty on storage loss	0.05	The Matter is

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Tribunal, New Delhi	(Appeals) of Central Excise, Lucknow	of rectified spirit in months of July and August 1997 and the MODVAT credit taken on the quantity of the input molasses.		pending.
	Appeal No. E/1573/05 (C)	No. NB	The demand was confirmed by the Assistant Commissioner, Central Excise, Sitapur by order 167-170/AC(S)/STP/99 dated November 30, 1999 and upheld by the Commissioner (Appeals) Central and Excise, Lucknow vide the Order In Appeal No. 37-CE/2005 dated January 31, 2005.		
			BHL has preferred an appeal for setting aside the impugned order before CESTAT, New Delhi, which has directed BHL to deposit Rs. 40,000 vide the order. BHL has deposited the said amount.		
9.	Additional Commissioner, Central Excise, Kanpur-II (Lucknow)		This case relates to the show cause notice SCN No.62/STP/98 dated July 31, 1998 issued against BHL demanding differential duty on sale of molasses made from kachcha pits due to increase in duty to Rs. 50 per Qtl in the season 1996-97 Reply and reference was made to the Assistant Commissioner, Central Excise, Sitapur however, no communication on the matter was received by BHL from the adjudicatory authority. BHL has preferred a hearing against the show cause notice before the Additional Commissioner, Central Excise, Kanpur-II (Lucknow).	0.32	Pending hearing
10.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner, Central Excise, Lucknow	This case pertains to show cause notice 36-DEM/STP/2003 dated December 18, 2003 for the MODVAT credit availed by BHL to the tune of Rs. 53582 and a penalty of Rs. 272,532 was imposed. The Deputy Commissioner, Sitapur confirmed the impugned demand by the Order in Original 20-AC/STP/DEM/2003 dated March 30, 2003, which was confirmed by the Commissioner (Appeals) Central Excise, Lucknow by the Order-In-Appeal dated April 21, 2005 but the penalty was reduced to Rs. 10,000. BHL has appealed against the Order-In-Appeal No. 235-CE/2005 dated April 21, 2005	0.06	The Matter is pending.
11.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi		This case pertains to show cause notice DSCN No 92-STP/DEM/2004 dated 20 October 2004, relating to the incorrect credit of CENVAT on inputs and capital goods from October 2003 to December 2003. BHL filed a reply dated 29 November 2004 to the show cause notice. Additional submissions were made on 6 April 2005. An order was passed dated 27 June 2004 wherein it was held that a demand of Rs 210412 was payable along with a penalty of Rs 50,000. Demand for Rs 16296 was dropped. An appeal and stay application was filed on 19 December 2005.	2.27	The Matter is pending.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
PALIAKALANKALAN					
1.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner, Central Excise, Lucknow vs. Bajaj Hindustan Limited ('BHL')	<p>The Office of Assistant Commissioner Central Excise Division, Sitapur issued a Demand cum Show Cause Notice dated February 25, 2008 being No.4/STP/Dem/2008 to the BHL for CENVAT Credit availed by BHL on account of duty paid on welding electrodes for the month of May 2007 to October 2007 amounting to Rs. 482,210/-.</p> <p>The Assistant Commissioner, Central Excise Division vide his order dated July 21, 2008 confirmed demand of Rs. 482,210/-. On appeal against the order of Assistant Commissioner, Central Excise Division, the Commissioner of Central Excise (Appeals) vide order dated December 16, 2008 allowed BHL for the availment of CENVAT credit on account of duty paid on welding electrodes. The Additional Commissioner (Review) on behalf of the Commissioner, Central Excise, Lucknow filed this appeal against the order of Commissioner of Central Excise (Appeals) based on the Review order issued by the Office of the Commissioner, Central Excise & Service Tax, Lucknow. BHL has filed the objections on this Appeal on September 25, 2009.</p>	0.48	Matter is pending.
	Appeal No. E/682/09				
2.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner, Central Excise, Lucknow v. Bajaj Hindustan Limited ('BHL')	<p>This case pertains to the demand and show cause notice DSCN No.22-STP/07 dated August 7, 2007 denying the CENVAT credit of Rs.472,066 availed by BHL on welding electrodes used as 'inputs' for the period between April 2008 to December 2008.</p> <p>The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original 18/AC/STP/2008 dated June 13, 2008 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p> <p>The Commissioner (Appeals), Central Excise, Lucknow set aside the impugned order vide Order-In-Appeal No. 170/CE/LKO/08 dated November 11, 2008 and allowed the credit of Rs. 472,066 to BHL.</p> <p>The department has challenged the impugned order before the CESTAT pursuant to the review order C. No. IV-308/R/O/2008 passed by the Commissioner, Central Excise and Service Tax, Lucknow directing the department to file an appeal before the CESTAT.</p>	0.47	Matter is pending
	Appeal No. E/325/09				
3.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner, Central Excise, Lucknow	<p>This case pertains to the demand and show cause notice SCN No.18-Dem/STP/08 dated June 23, 2008 denying the CENVAT credit of Rs. 488,841 availed by BHL on [RS Joist, MS channel, MS angle, MS rod and MS plate used as 'inputs'.</p>	0.49	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			<p>The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No. 03/AC/STP/Dem./Cenvat/2009 dated January 28, 2009 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p> <p>The Commissioner (Appeals), Central Excise, Lucknow upheld the impugned order vide Order-In-Appeal No. 168-CE/LKO/2009] dated October 30, 2009 and disallowed the credit of Rs. 488,841 to BHL. BHL has challenged the impugned order before the CESTAT.</p>		
4.	Commissioner (Appeals), Central Excise, Lucknow	Bajaj Hindustan Limited ('BHL') v. Additional Commissioner, Central Excise, Lucknow	<p>This case pertains to the demand and show cause notice SCN No.24/ADC/LKO/08 dated September 2, 2008 denying the CENVAT credit availed by BHL of service tax paid to sugar commission agents under "Business Auxiliary service" for the period between August 2007 and March 2008.</p> <p>The Additional Commissioner, Central Excise, Lucknow confirmed the demand vide Order-In-Original No. 29/ADC/LKO/2009 dated October 30, 2009 which is challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p>	0.69	Matter is pending
5.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Central Excise, Lucknow	<p>This case pertains to the demand and show cause notice SCN No.20-Dem/STP/08 dated July 18, 2008 denying the CENVAT credit of Rs. 325,718 availed by BHL on RS Joist, MS channel, MS angle, MS rod and MS plate used as 'inputs'.</p> <p>The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No. 06/AC/STP/DEM/Cenvat/2009 dated February 2, 2009 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p> <p>The Commissioner (Appeals), Central Excise, Lucknow upheld the impugned order vide Order-In-Appeal No. 184-CE/LKO/2009 dated November 5, 2009 and disallowed the credit of Rs. 325,718 to BHL. BHL has challenged the impugned order before the CESTAT.</p>	0.32	Matter is pending
6.	Commissioner (Appeals), Central Excise, Lucknow Appeal No. 2 of 2010	Bajaj Hindustan Limited ('BHL') v. Deputy Commissioner, Central Excise, Sitapur	<p>This case pertains to the demand and show cause notice SCN No.29/Dem/AC/STP/2008 dated October 21, 2008 denying the CENVAT credit of Rs. 83,307 availed by BHL on welding electrodes used as 'inputs' for manufacture of capital goods for the period between December 2007 to March 2008.</p> <p>The Deputy Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No. 40/DC/STP/DEM/2009 dated</p>	0.08	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			October 30, 2009 which is challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.		
7.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Central Excise, Lucknow	<p>This case pertains to the demand and show cause notices DSCN No.93-DEM/STP/04 and DSCN No.82-DEM/STP/04 dated October 20, 2004 and August 27, 2004 respectively, denying the CENVAT credit, availed by BHL on welding electrodes used as they are used as consumables used for repair and maintenance of existing plant and machinery for the period between August 2003 to October 2003.</p> <p>The Assistant Commissioner, Central Excise, Sitapur confirmed the demand and imposed penalty of Rs. 22,000 vide Order-In-Original No. 01-02-AC/STP/DEM/2005 dated January 31, 2005 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p> <p>The Commissioner (Appeals), Central Excise, Lucknow upheld the impugned order vide Order-In-Appeal No. 387-388/CE/2005 dated July 25, 2005. BHL has challenged the impugned order and preferred a stay application before the CESTAT.</p>	0.04	Matter is pending
8.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner (Appeals), Central Excise, Lucknow v. Bajaj Hindustan Limited ('BHL')	<p>This case pertains to the demand and show cause notices DSCN No.23-Dem/Cenvat/07 dated August 10, 2007 denying the CENVAT credit of Rs. 226,111 availed by BHL on welding electrodes for the period between October 2006 and April 2007.</p>	0.22	Matter is pending
9.	Appeal No. 817/2009		<p>The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No. 19/AC/STP/2008 dated June 13, 2008 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p> <p>The Commissioner (Appeals), Central Excise, Lucknow [upheld the impugned order] vide Order-In-Appeal No. 169/CE/LKO/2008 dated November 11, 2008 allowing the CENVAT credit to BHL.</p> <p>The department has challenged the impugned order and preferred a stay application before the CESTAT pursuant to the review order C. No. IV-307/R/O/2008 passed by the Commissioner, Central Excise and Service Tax, Lucknow directing the department to file an appeal before the CESTAT.</p>		
10.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner (Appeals), Central Excise, Lucknow v. Bajaj Hindustan Limited ('BHL') (Paliakalan and Golagokarannath)	<p>This case pertains to cross objections filed by the department regarding the show cause notices DSCN No.10/Joint Cmmr/Lko/04 dated September 2, 2004 and SCN No.V(15)Off/Adj/216/2005 dated February 7, 2006 denying CENVAT credit availed by BHL on plates/angles/channels etc. as 'inputs' used in the manufacture of capital goods.</p>	1.94	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			The Joint Commissioner, Central Excise, Lucknow allowed disallowed the demand vide the order-in-original No. 01-02/JC/BNS/LKO/2006 dated March 1, 2006, which was challenged by the department before the Commissioner (Appeals) Central Excise, Lucknow. The Commissioner (Appeals) vide Order In Appeal No.187/CE/LKO/2007 dated December 12, 2007 upheld the impugned order. The department has filed appeal before the CESTAT and BHL has filed cross objections.		
11.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Central Excise, Lucknow	<p>This case pertains to show cause notice DSCN No.68-DEM/STP/04 dated 27 May 2004, relating to the incorrect credit of CENVAT on inputs and capital goods, specifically welding electrodes from the period of May to June 2003.</p> <p>BHL filed a reply dated 14 September 2004 to the show cause notice. An order in original (No. 4 AC/STP/DEM/2005) was passed on 22 February 2005 wherein the demand for Rs 66,335, along with interest and a penalty of Rs 20,000. The demand for Rs 14,535 was dropped. Application for a stay and appeal was made on 2 May 2005. An order in appeal was passed on 26 July 2005, wherein the demand was confirmed, however the penalty of Rs 20,000 was dropped. An appeal to CESTAT has been filed by BHL on 28 October 2006.</p>	0.06	Matter is pending
GANGNAULI					
1.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	The Commissioner, Central Excise, Meerut vs. Bajaj Hindustan Limited ('BHL')	<p>The Office of the Commissioner, Customs & Central Excise, Meerut issued a Show Cause Notice dated August 01, 2008 being V (15)Off/Adj-I/ST/89/2008/9676 to the BHL for CENVAT Credit availed by BHL on denial of CENVAT credit on various input services from period of July 2007 to May 2008 amounting to Rs. 9,049,288/-.</p> <p>The Commissioner, Central Excise Division vide his order dated March 31, 2009 allowed BHL for the availment of CENVAT credit on various input services. The Additional Commissioner (Review) on behalf of the Commissioner, Central Excise, Meerut filed this appeal against the order of Commissioner of Central Excise Division based on the Review order issued by the Office of the Commissioner, Central Excise & Service Tax, Meerut dated June 17, 2009. BHL has filed the objections on this Appeal on December 11, 2009.</p>	9.05	Matter is pending
2.	Customs, Excise and Service Tax Appellate Tribunal, New Delhi.	Bajaj Hindustan Limited ('BHL') v. The Commissioner (Appeals), Central Excise, Meerut	This case pertains to show cause notice SCN No.V(15)Off/Adj/12/2008/3072 dated 11 November 2008, relating to the improper credit of CENVAT on inputs for the period of January 2007 to January 2008. Order passed, to which BHL appealed (Appeal No. 89-CE/MRT-I/09 dated 24 February 2009).	0.12	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			An Order in Appeal dated 29 October 2009 was passed, wherein the previous order was upheld.		
			An appeal was filed to the Order in Appeal dated 12 January 2010.		
3.	Office of the Commissioner (Appeals), Customs and Central Excise, Meerut – I.	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	This case pertains to show cause notice SCN No.V (15) Off /Adj/42/2008/8793 dated 17 July 2008, relating to Denial of credit of service tax against the services used for residential complex in the factory for the period of April 2006 to December 2006. Reply to the show cause notice was dated 26 August 2008. Additional submissions during the personal hearing held on 22 September 2009.	1.96	Matter is pending
			Order in original No. 43/ADC/MRT-I/2009 passed on 28 October 2009, wherein the demand was upheld, and a penalty of Rs 1,961,906 was levied. The order has been appealed to by BHL on 23 December 2009.		
4.	Office of the Commissioner (Appeals), Customs and Central Excise, Meerut – I.	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	This case pertains to show cause notice SCN No.V(15)Off/Adj/9/2008/1650 dated 10 July 2008, relating to the incorrect credit of CENVAT for the financial year 2005-06 and 2006-07 upto June 2007.	0.02	Matter is pending
			Reply to the show cause notice was filed on 5 August 2008, and an order in original (Order no. 13/2009 (Adj 09/08)) was passed on 5 May 2009. BHL submitted a stay application and appeal to this order on 8 July 2009, following which a personal hearing was scheduled.		
5.	Office of the Commissioner (Appeals), Customs and Central Excise, Meerut – I.	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	This case pertains to show cause notice SCN No.V(15)Off/Adj/6/2008/1648 dated 10 July 2008, relating to the incorrect credit of CENVAT.	0.017	Matter is pending
			Reply to the show cause notice was filed on 5 August 2008, and an order in original (Order no. 12/2009(Adj 09/08)) was passed on 5 May 2009 wherein the CENVAT credit was not allowed, and a penalty was imposed. BHL submitted a stay application and appeal to this order on 8 July 2009, following which a personal hearing was scheduled 9 December 2009.		
6.	Central Excise and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Central Excise, Meerut	This case pertains to show cause notice SCN No.V (15) Off/Adj-I/46/2008/7753 dated 27 June 2008, relating to the incorrect credit of CENVAT for the financial year 2005-06 and 2006-07. BHL filed a reply dated 22 August 2008 to the show cause notice, and additional submissions dated 14 October 2008 and 22 December 2008.	0.4	Matter is pending
			An order in original was passed (No. 15/COMM/MRT- I/ 2009) on 31 March 2009, wherein it was stated that a demand of Rs 406,394 was payable, and demand of Rs 16,274,530 was dropped.		

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			BHL filed an appeal dated 8 July 2009 to the order in original. A stay (E/stay/2146/09-SM (BR) in appeal number E/2063/09-SM(BR)) dated 31 August 2009 was granted by the Central Excise and Service Tax Appellate Tribunal and the pre-deposit of 406,394 was waived.		
7.	Office of the Commissioner (Appeals), Customs & Central Excise	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	<p>This case pertains to show cause notice SCN No.3832 dated 31.08.2007 dated 31 August 2007, relating to the incorrect credit of CENVAT.</p> <p>BHL filed a reply dated 1 October 2007 to the show cause notice. Personal hearing was scheduled for 18/19/10 November 2007. Order was passed on 30 November 2007 disallowing the credit of CENVAT. BHL has filed an appeal to the order in appeal.</p>	0.31	Matter is pending
KHAMBERKHERA					
1.	Commissioner (Appeals), Central Excise, Lucknow	Bajaj Hindustan Limited ('BHL') v. Deputy Commissioner, Central Excise, Sitapur	<p>This case pertains to the demand and show cause notice SCN No.32-Dem/AC/STP/2008 dated October 21, 2008 denying credit availed by BHL on welding electrodes used as 'inputs' for the period between January 2008 to June 2009.</p> <p>The Deputy Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No. 39/DC/STP/DEM/2009 dated October 30, 2009 which is challenged by BHL by a stay application and appeal on December 31, 2009 before Commissioner (Appeals), Central Excise, Lucknow.</p>	0.14	Matter is pending
2.	Commissioner (Appeals), Central Excise, Lucknow	Bajaj Hindustan Limited ('BHL') v. Additional Commissioner, Central Excise, Lucknow	<p>This case pertains to the show cause notice SCN No.29/Joint/Commr/LKO/2008 dated July 1, 2008 disallowing the CENVAT credit of Rs. [•] availed by BHL on chequered plate as "inputs" for the period between June 2007 to August 2007.</p> <p>The Additional Commissioner, Central Excise, Lucknow confirmed the demand vide Order-In-Original No. 23/ADC/LKO/209 dated September 30, 2009 which is challenged by BHL by a stay application and appeal on December 15, 2009 before Commissioner (Appeals), Central Excise, Lucknow.</p>	2.13	Matter is pending
3.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi Appeal No. E/677/2009-SM	The Commissioner, Central Excise, Lucknow v. Bajaj Hindustan Limited ('BHL')	<p>This case pertains to the demand and show cause notices DSCN No.2/STP/Dem/2008 dated February 25, 2008 denying the CENVAT credit of Rs. 246,550 availed by BHL on welding electrodes for the period between October 2006 and April 2007.</p> <p>The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No. 31/AC/STP/DEM/2008 dated July 21, 2008 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow.</p>	0.24	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			The Commissioner (Appeals), Central Excise, Lucknow confirmed the demand of duty but set aside the demand of interest and penalty vide OIA 205/CE/LKO/2008 dated December 16, 2008 which is further challenged by the department before CESTAT, New Delhi..		
4.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi Appeal No. E/681/2009-SM	The Commissioner, Central Excise, Lucknow v. Bajaj Hindustan Limited ('BHL')	This case pertains to the demand and show cause notices DSCN No.07-Dem/STP/08 dated February 29, 2008 denying the CENVAT credit of Rs. 89,684 availed by BHL on welding electrodes The Assistant Commissioner, Central Excise, Sitapur confirmed the demand vide Order-In-Original No.30/AC/stp/DEM/2008 dated July 21, 2008 which was challenged by BHL before Commissioner (Appeals), Central Excise, Lucknow. The Commissioner (Appeals), Central Excise, Lucknow confirmed the demand of duty but set aside the demand of interest and penalty vide OIA 203/CE/LKO/2008 dated December 16, 2008 which is further challenged by the department before CESTAT, New Delhi. .	0.09	Matter is pending
5.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi Appeal No. 375 of 2009	The Commissioner, Central Excise, Lucknow v. Bajaj Hindustan Limited ('BHL')	This case pertains to the demand and show cause notice SCN No.V(30)21-Dem/Cenvat/2007/1805 dated August 07, 2007 denying the CENVAT credit availed by BHL on welding electrodes The Commissioner (Appeals), Central Excise, Lucknow vide order dated November 24, 2008 held the decision in favour of BHL and set aside the order of demand. The Commissioner, Central Excise, Lucknow has preferred an appeal before the Forum.	0.24	Matter is pending
BILLAI					
1.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi Appeal No. E/2977/2009-SM	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Customs & Central Excise	This proceeding relates to the following show cause notices / order, denying credit of CESTAT on welding electrodes: SCN No.7656-57 dated 4 December 2007; No.V(30)148-Dem/MZN-II/88 dated 30 July 2007; No.V(15)Off/Adj/05/2007/710-712 dated 16 January 2007; No. V (30) 17-Dem/MZN-II/2008/744-45 dated 04 February 2008; No.V(30)148-Dem/MZN-II/07/4398 dated 06 August 2007; and OIO NO.08-12/JC/Mrt-I/2008 dated 28 November 2008. Replies have been filed for show cause notices: No. 88 dated 30 July 2007; No. 4398 dated 29 August 2007; No. 744 dated 27 August 2008; No. 710 dated 16 March 2007; No. 7656 dated 5 January 2008;	0.34	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			<p>No. 3429 dated 12 November 2008</p> <p>Order in original was received for:</p> <p>No.V(15)Off/Adj/05/2007/710-712 dated 16 January 2007;</p> <p>No.V(30)148-Dem/MZN-II/88 dated 30 July 2007;</p> <p>No.V(30)148-Dem/MZN-II/07/4398 dated 06 August 2007;</p> <p>No. V (30) 17-Dem/MZN-II/2008/744-45 dated 04 February 2008;</p> <p>SCN No.7656-57 dated 4 December 2007;</p> <p>Wherein it was decided that:</p> <p>CENVAT of Rs 5032539 was allowed to be credited (calculated against the above SCNs together)</p> <p>CENVAT of Rs 344,124 was disallowed (calculated against the above SCNs together)</p> <p>Recovery of Rs 344,124 was ordered; and</p> <p>A penalty of Rs 344,124 was ordered.</p> <p>Appeals and stay applications have been filed for the abovementioned applications:</p> <p>Against SCN No. 3429 dated 12 November 2008</p> <p>Against SCN Nos. 710-712, 88-89, 4398-99, 7656-57, 744-45.</p> <p>An appeal has been filed in the CESTAT.</p>		
2.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner, Customs and Central Excise, Meerut	<p>This case pertains to the demand and show cause notices SCN No.V(15)Off/Adj/218/2005/813 dated February 7, 2006 denying CENVAT credit of Rs. 16,010,379 availed by BHL on certain inputs for the period between January 2005 and June 2005 and Rs. 558,947 on capital goods for the period February 2005, April-June 2005.</p> <p>The Commissioner, Customs and Central Excise, Meerut confirmed the demand with equal amount of penalty vide Order-In-Original 30-32/Additional Commissioner/M-1/05 dated June 22, 2007 which was challenged by BHL before CESTAT, New Delhi. The CESTAT, New Delhi vide order dated June 27, 2007 has granted an unconditional stay for recovering the impugned duty until the disposal of the appeal by the Forum.</p>	16.57	Matter is pending
3.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi Appeal No. E/1744/08	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Central Excise, Meerut	<p>This case pertains to the demand and show cause notices SCN No.V(15)Off/Adj/79/2006/7919 dated July 28, 2006 for CENVAT credit of Rs. 3,400,392 availed by BHL on welding electrodes for the period between July 2005 and August 2005,</p> <p>No.V(15)Off/Adj/79/2006/7920 dated July 28, 2006 for CENVAT credit of Rs. 2,361,317 availed by BHL on welding electrodes for the period between September 2005 and December 2005 and</p> <p>No.V(15)Off/Adj/141/2006/12868-70 dated November 22, 2006 denying the CENVAT credit of Rs. 1,496,406 availed by BHL on welding electrodes for the period between</p>	0.34	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			January 2006 and March 2006.		
			The Commissioner, Customs and Central Excise, Meerut-I allowed credit of Rs.6,917,503/- on various inputs but disallowed credit of Rs.340,612/- on welding electrodes vide Order-In-Original No.30/AC/stp/DEM/2008 dated July 21, 2008 which was challenged by BHL before Commissioner (Appeals), Central Excise, Meerut-I. The Commissioner (Appeals), Central Excise, Meerut confirmed the demand of duty but set aside the demand of penalty vide OIA No.113/CE/MRT-I/2008 dated May 3, 2008 which is further challenged by BHL before CESTAT, New Delhi. CESTAT has granted stay vide order dated September 17, 2008		
4.	Commissioner (Appeals), Customs, Excise and Service Tax, Meerut-I	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise, Muzaffarnagar	This case pertains to the demand and show cause notices SCN No.V(30)Demand/131/MZN-II/08/ 7354 dated October 3, 2008 denying CENVAT credit of Rs. 106,591 availed by BHL on certain inputs during the period between September 2007 and March 2008, Rs. 245,166 (50% credit taken on capital goods) and Rs. 29,217 as input services falling under the category of tour operator service.	0.38	Matter is pending
			The Assistant Commissioner, Central Excise, Muzaffarnagar by the Order-In –Original No. 17/AC/MZN-II/09 dated October 30, 2009 allowed the credit of Rs. 275,370 availed by BHL but ordered for the recovery of credit of Rs. 105,604 with interest and imposed additional penalty of Rs. 105,604.BHL has preferred an appeal against the impugned order.		
5.	Commissioner (Appeals), Central Excise, Muzaffarpur	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise, Muzaffarnagar	This case pertains to the demand and show cause notices SCN No.V(30) Dem/95/Bajaj/MZN-II/09/4542 dated 01.07.2009 dated October 3, 2008 denying CENVAT credit of Rs. 122,021 availed by BHL on we during the period between September 2007 and March 2008, Rs. 245,166 (50% credit taken on capital goods) and Rs. 29,217 as input services falling under the category of tour operator service.	0.12	Matter is pending
			The Assistant Commissioner, Central Excise, Muzaffarnagar by the Order-In –Original No. 17/AC/MZN-II/09 dated October 30, 2009 allowed the credit of Rs. 275,370 availed by BHL but ordered for the recovery of credit of Rs. 105,604 with interest and imposed additional penalty of Rs. 105,604.BHL has preferred an appeal against the impugned order.		
BUDHANA/BHAISANA					
1.	The Assistant Commissioner, Central Excise,	SCN issued to BHL by the Customs and Central Excise,	This case pertains to show cause notice SCN No. V(15)Off/Adj-I/51/2008/5443 dated 29 April 2008, relating to the wrong credit of	7.1	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Mangal Pandey Nagar, Meerut – I. SCN No. V(15)Off/Adj-1/51/2008/5443 dated 29 April 2008	Mangal Pandey Nagar, Meerut – I.	CENVAT by BHL on various inputs and capital goods for the period from April 2007 to February 2008. Reply to Show Cause Notice has been filed by BHL. The office of the Commissioner, Central Excise, Mangal Pandey Nagar, Meerut – I called for a personal hearing on 25 September 2008, 21 October 2008 and 20 November 2008 in this regard.		
2.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner Central Excise, Meerut - I	This case pertains to the demand and show cause notice SCN No.V(15)Off/Adj/25/2006/816 dated February 7, 2006 denying CENVAT credit availed by BHL on certain inputs on capital goods. The Commissioner, Customs and Central Excise, Meerut confirmed the demand vide Order dated May 19, 2006 which was challenged by BHL before CESTAT, New Delhi. The CESTAT, New Delhi vide order dated November 08, 2006 has granted an unconditional stay for recovering the impugned duty until the disposal of the appeal by the Forum.	9.35	Matter is pending
3.	Customs, Excise, and Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner Central Excise, Meerut - I	This case pertains to the demand and show cause notices SCN No V(15)Off/Adj/67/2006/3624 dated March 30, 2006 denying CENVAT credit availed by BHL on certain inputs on capital goods The Commissioner, Customs and Central Excise, Meerut confirmed the demand which was challenged by BHL before CESTAT, New Delhi. The CESTAT, New Delhi has granted an unconditional stay for recovering the impugned duty until the disposal of the appeal by the Forum..	20.3	Matter is pending
KINAUNI					
1.	Office of the Commissioner (Appeals), Customs and Central Excise, Meerut – I.	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	This case pertains to order in original dated 2 June 2009, relating to the claims on account of storage loss that occurred in ethyl alcohol during the months of November 2008 to April 2009.	0.002	Matter is pending
2.	Office of the Commissioner (Appeals), Customs and Central Excise, Meerut – I.	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	This case pertains to order in original dated 20 January 2009, relating to the claims on account of storage loss that occurred in ethyl alcohol. To this BHL filed an appeal, consequent to which an Order in appeal dated 29 July 2009 was served, wherein the appeal was allowed and the impugned order was set aside.	0.01	Matter is pending
3.	The Commissioner, Central Excise Division, Meerut	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner, Central Excise	SCN No.V(15) 18/ST/D-MRT/2007/1113 and SCN No.V(15)Adj/Div-MRT/03/08/290 dated 24 January 2008. A reply to the SCN 2007/1113 was submitted on 20 April 2007. An order was passed on 6 May 2008, wherein the application of BHL for remission was rejected, and the demand of Rs 107,298 was made payable for the period from	0.44	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			February 2006 to January 2007. Appeals were filed against both orders and consequent to the same an order in appeal was passed dated 28 November 2008, wherein the penalties (107,298 and 334,910) were set aside, not the entire order.		
THANBHAVAN					
1.	Customs, Excise & Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Limited ('BHL') v. Commissioner (Appeals), Central Excise	This case pertains to show cause notice SCN No.V(30) Dem/MZN - 1/136/06/2174 dated 1 May 2006, relating to the incorrect credit of CENVAT on inputs and capital goods from January 2005 to June 2005. BHL filed a reply dated [7 June 2006] to the show cause notice. On order in original was passed (No. 20.AC/MN/07) dated 20 February 2007, wherein it was held that the CENVAT was wrongly credited and was disallowed. Interest was also payable by BHL. A stay application and appeal was filed pursuant to which, an order in appeal was passed wherein the appeal by BHL was allowed and the impugned order was set aside. To this the Commissioner, Central Excise filed a cross – objection dated 10 June 2008.	0.19	Matter is pending

Trade Tax Cases filed and pending against BHL:

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
1.	High Court of Allahabad	Hindustan Sugar Mills Limited ('HSML') v. Commissioner of Trade Tax Uttar Pradesh, Lucknow ('Opposite Party')	The case pertains to the tax imposed on account of incidental charges in turnover of alcohol sale. HSML filed this revision petition under section 11 of the Uttar Pradesh Trade Tax Act against the order dated May 1, 2004 by the Trade Tax Tribunal, Lucknow in the second appeal being Appeal No. 602/2003 which allowed the appeal of the Opposite Party by setting aside the order dated April 10, 2003 for the assessment year 1985-86. The revision petition was allowed vide order dated September 8, 2009.	0.11	Matter is pending
2.	Court of U.P. Trade Tax Tribunal, Bench-3, Lucknow	Bajaj Hindustan Limited ('BHL') v. Commissioner of Trade Tax Uttar Pradesh, Lucknow ('Respondent')	BHL was assessed vide order dated February 20, 2003 to a tax of Rs. 4,191,955.41. BHL admitted tax liability of Rs. 37,320.75. BHL filed an appeal against the order which was dismissed vide order dated July 10, 2003. BHL has filed the second appeal before the Tribunal. BHL has also filed a stay application against the notice being No.443 dated July 28, 2004 in which payment of Rs. 97,741 as interest by the assessing authority was demanded. The Tribunal has stayed the interest demand.	41.54	Matter is pending
3.	Deputy Commissioner, Kheri	Bajaj Hindustan Limited ('BHL')	The case pertains to tax imposed on purchase of material from unregistered dealers for the assessment year 1998-99. The matter went to the Trade Tax Tribunal. The Tribunal remanded the matter to Deputy Commissioner for re-assessment. The Deputy Commissioner vide order dated March 31, 2004 waived off	0.013	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			Rs.25,688/- and imposed a liability of Rs. 13,663/-. BHSIL has not made the payment of the imposed liability.		
4.	Court of U.P. Trade Tax Tribunal, Lucknow	Commercial tax department. Kheri v. Bajaj Hindustan Limited ('BHL')	The case pertains to the demand imposed on BHL against the purchase of sand from unregistered dealers. The commercial tax department. Kheri issued show cause and demand notices being SCN No.864 & SCN No. 865 to BHL. The Deputy Commissioner, Kheri confirmed the demand to which BHL preferred an appeal with the Joint Commissioner. Joint Commissioner passed an order in favour of BHL and dropped the demand. The department filed an appeal with the tribunal against the order of the Joint Commissioner.	0.08	Matter is pending
5.	Court of Additional Commissioner (Appeals) Grade-2, Sitapur Appeal No. 289/09	Bajaj Hindustan Limited ('BHL') v. Additional Commissioner (Appeals), Sitapur	This case pertains to entry tax on Ex-UP sale of non-levy sugar for the assessment year 2005-06. The Deputy Commissioner, Commercial Tax, Kheri imposed a tax liability of Rs.33,190,181/- on BHL vide order dated March 31, 2009. BHL challenged the said Order of the Deputy Commissioner (Kheri) before the Additional Commissioner (Appeals), Commercial Tax, Sitapur. The Additional Commissioner (Appeals), Commercial Tax, Sitapur granted a relief of Rs.32,962,582/- and confirmed the demand of Rs.227,599/- which has been challenged by BHL in this appeal.	0.22	Matter is pending
6.	High Court of Allahabad, Lucknow Bench Trade Tax Revision No. 48 of 2004	Bajaj Hindustan Limited ('BHL') v. Trade Tax Tribunal & Ors.	This case pertains to entry tax on non-levy sugar. BHL has filed the revision application dated January 12, 2004 against the order dated January 05, 2003 passed by the Trade Tax Tribunal alongwith a stay application against the operation of the order of the Trade Tax Tribunal, Deputy Commissioner (Appeals) dated February 27, 2002 and Assistant Commissioner (Assessment) dated October 10, 2001. The High Court has granted a stay against the operation of the order of the Trade Tax Tribunal vide its order dated January 27, 2004.	0.43	Matter is pending
7.	High Court of Allahabad, Lucknow Bench Trade Tax Revision No. 49 of 2004	Bajaj Hindustan Limited ('BHL') v. Trade Tax Tribunal & Ors.	This case pertains to entry tax on non-levy sugar. BHL has filed the revision application dated January 12, 2004 against the order dated January 05, 2003 passed by the Trade Tax Tribunal alongwith a stay application against the operation of the order of the Trade Tax Tribunal, Deputy Commissioner (Appeals) dated February 27, 2002 and Assistant Commissioner (Assessment) dated October 10, 2001. The High Court has granted a stay against the operation of the order of the Trade Tax Tribunal vide its order dated January 27, 2004.	0.49	Matter is pending
8.	High Court of Allahabad, Lucknow Bench Trade Tax Revision No. 50	Bajaj Hindustan Limited ('BHL') v. Trade Tax Tribunal & Ors.	This case pertains to entry tax on non-levy sugar. BHL has filed the revision application dated January 12, 2004 against the order dated January 05, 2003 passed by the Trade Tax Tribunal alongwith a stay application against the operation of the order of the Trade Tax	0.56	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	of 2004		Tribunal, Deputy Commissioner (Appeals) dated February 27, 2002 and Assistant Commissioner (Assessment) dated October 10, 2001. The High Court has granted a stay against the operation of the order of the Trade Tax Tribunal vide its order dated January 27, 2004.		
9.	High Court of Allahabad, Lucknow Bench Trade Tax Revision No. 51 of 2004	Bajaj Hindustan Limited ('BHL') v. Trade Tax Tribunal & Ors.	This case pertains to entry tax on non-levy sugar. BHL has filed the revision application dated January 12, 2004 against the order dated January 05, 2003 passed by the Trade Tax Tribunal alongwith a stay application against the operation of the order of the Trade Tax Tribunal, Deputy Commissioner (Appeals) dated February 27, 2002 and Assistant Commissioner (Assessment) dated October 10, 2001. The High Court has granted a stay against the operation of the order of the Trade Tax Tribunal vide its order dated January 27, 2004.	0.47	Matter is pending
10.	High Court of Allahabad, Lucknow Bench Trade Tax Revision No. 52 of 2004	Bajaj Hindustan Limited ('BHL') v. Trade Tax Tribunal & Ors.	This case pertains to entry tax on non-levy sugar. BHL has filed the revision application dated January 12, 2004 against the order dated January 05, 2003 passed by the Trade Tax Tribunal alongwith a stay application against the operation of the order of the Trade Tax Tribunal, Deputy Commissioner (Appeals) dated February 27, 2002 and Assistant Commissioner (Assessment) dated October 10, 2001. The High Court has granted a stay against the operation of the order of the Trade Tax Tribunal vide its order dated January 27, 2004.	0.56	Matter is pending
11.	High Court of Allahabad, Lucknow Bench Trade Tax Revision No. 53 of 2004	Bajaj Hindustan Limited ('BHL') v. Trade Tax Tribunal & Ors.	This case pertains to entry tax on non-levy sugar. BHL has filed the revision application dated January 12, 2004 against the order dated January 05, 2003 passed by the Trade Tax Tribunal alongwith a stay application against the operation of the order of the Trade Tax Tribunal, Deputy Commissioner (Appeals) dated February 27, 2002 and Assistant Commissioner (Assessment) dated October 10, 2001. The High Court has granted a stay against the operation of the order of the Trade Tax Tribunal vide its order dated January 27, 2004.	0.64	Matter is pending
12.	Deputy Commissioner (Appeals)	Bajaj Hindustan Limited ('BHL') v. Assistant Commissioner (Sachal Dal), Bijnor	The case pertains to the value added tax (VAT) imposed on inter-unit transfer of molasses which was transferred was caught by Sachal Dal of Commercial tax department. BHL has paid the imposed liability under protest and preferred an appeal against the same.	0.02	Matter is pending
13.	Assistant Commissioner (Sachal Dal), Bijnor	Bajaj Hindustan Limited ('BHL') v. Sachal Dal of Commercial tax department, Bijnor	The case pertains to penalty imposed on the stores material which was transferred from Gangnauli unit to Gola unit of BHL which was caught by Sachal Dal of Commercial tax department on the ground that the book No. on Invoice was not pre-printed and there was cut on	0.04	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			the stores challan.		
			BHL deposited the liability under protest and material was released.		
14.	Deputy Commissioner (Assessment), Punjab VAT Department	Bajaj Hindustan Limited ('BHL') v. Excise and Taxation Department, Ludhiana	The case pertains to the amount of VAT paid on sugar during the period from November 5, 2007 to November 30, 2007. The officials of Excise and Taxation Department, Ludhiana imposed a VAT liability on BHL which was paid by BHL under protest. BHL has also filed a writ in the matter which is pending. BHL has filed the complaint for the refund for the amount of VAT paid.	1.12	Matter is pending
15.	High Court of Allahabad, Lucknow Bench Writ Petition No. 3895 of 2004	Bajaj Hindustan Limited ('BHL') v. State of U.P. and Ors.	The case pertains to the administrative charges on molasses for the period October 1, 2005 to September 30, 2006 paid by BHL under protest. BHL has filed a writ dated February 3, 2008 challenging the administrative charges imposed on BHL on inter transfer of molasses from one unit to the other.	4.19	Matter is pending
16.	High Court of Allahabad, Lucknow Bench Writ Petition No. 2175 of 1986	Bajaj Hindustan Limited ('BHL') v. State of U.P. and Ors.	The case pertains to the administrative charges on molasses paid by BHL under protest as a matter of captive consumption. BHL has filed a writ challenging the administrative charges imposed on BHL on captive consumption.	31.57	Matter is pending
17.	Additional Commissioner Grade-2 (Appeal), Sitapur	Bajaj Hindustan Limited ('BHL') v. Deputy Commissioner (Assessment), Kheri	The case pertains to tax liability imposed on BHL against the transfer of stores material carried to Maqsoodpur unit. The Consignment was detained by the Sachal dal of Commercial tax department. The consignment was released on deposit of the imposed liability. BHL filed a complaint against the same with the Deputy Commissioner, Kheri who confirmed the demand vide order dated July 08, 2009. BHL has filed an appeal against the order of the Deputy Commissioner.	0.02	Matter is pending

iii. **Other Proceedings:**

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
GANGNAULI					
1.	Deputy Labour Commissioner PWC No. 23/2008	Praveen Kumar ('Plaintiff') v. Bajaj Hindustan Limited Gangnauli ('BHL')	The Plaintiff has filed the suit claiming wages from BHL for the period from December 10, 2006 to May 31, 2007. BHL has filed a written statement stating that the Plaintiff was never an employee of BHL and the matter is of a personal house job done on the property of BHL.	0.23	The matter is pending.
THANABHAWAN					
1.	Labour Court, Saharanpur Case No. 76/2007	Krishnan Pal ('Complainant') v. Bajaj Hindustan Limited Thanabhawan ('BHL')	The Complainant filed the complaint dated April 4, 2007 demanding reappointment of the Complainant as an employee with BHL Rs. 4,000 per month as wages for the period from July 2006 alongwith Rs. 50,000 as compensation and Rs. 15,000 as legal charges. BHL has filed its written statement stating that the Complainant was appointed on a contract from Hanuman Contractors and was not employed as a permanent employee of the BHL.		The matter is pending.
KINAUNI					
1.	Labour Court, Meerut Adjudication Case No. 03/2007	Lokendra Singh ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was on probation for a period of six months which was further extended for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. The Complainant has filed the case against his termination and claims for a reappointment. BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.	NA	The matter is pending
2.	Labour Court, Meerut Adjudication Case No. 04/2007	Subhash Chandra ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was on probation for a period of six months which was further extended for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. The Complainant has filed the case against his termination and claimed for a reappointment and payment of backwages from October 18, 2005. BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.	NA	The matter is pending
3.	Labour Court, Meerut Misc. Case No. 229/2006	Subhash Chandra ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was appointed as seasonal clerk on probation for a period of six months which was further extended for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. There was also an FIR	0.51	The matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			filed against the Complainant for weighing excess sugar cane. The Complainant has filed the case against his termination and claimed for a wages for the sugar year 2004-05.		
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
4.	Labour Court, Meerut Misc. Case No. 230/2006	Lokendra Singh ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was appointed as seasonal clerk on probation for a period of six months which was further extended for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. There was also an FIR filed against the Complainant for weighing excess sugar cane. The Complainant has filed the case against his termination and claimed for a wages for the sugar year 2004-05.	0.69	The matter is pending
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
5.	Labour Court, Meerut Misc. Case No. 50/2007	Omkar Dutt Sharma ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was appointed as seasonal clerk on probation for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. There was also an FIR filed against the Complainant for weighing excess sugar cane. The Complainant has filed the case against his termination and claimed for a wages for the sugar year 2004-05.	0.33	The matter is pending
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
6.	Labour Court, Meerut Adjudication Case No. 01/2008	Omkar Dutt Sharma ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was on probation for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. The Complainant has filed the case against his termination and claimed for a reappointment alongwith payment of remaining dues.	NA	The matter is pending
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
7.	Labour Court, Meerut Misc. Case No. 94/2006	Praveen Kumar ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was appointed on probation for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. There was also an FIR filed against the Complainant for weighing excess sugar cane. The Complainant has filed the case against	0.42	The matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			his termination and claimed for a wages for the sugar year 2004-05.		
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
8.	Labour Court, Meerut Misc. Case No. 55/2006	Veerendra Singh ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was appointed on probation for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. There was also an FIR filed against the Complainant for weighing excess sugar cane. The Complainant has filed the case against his termination and claimed for a wages for the sugar year 2004-05.	0.56	The matter is pending
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
9.	Labour Court, Meerut Adjudication Case No. 61/2007	Satish Chandra ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	The Complainant was on probation for a period of six months after which the Complainant was relieved of his services due to unsatisfactory performance. The Complainant has filed the case against his termination and claimed for a reappointment alongwith payment of remaining dues for the sugar year 205-06.	NA	The matter is pending
			BHL in their reply stated that the Complainant does not fall under the definition of workman under the Industrial Disputes Act, 1947.		
10.	Additional Court, Civil Judge, Junior Division, Baghpat Tehsil Case No. 132/2004	Karan Singh ('Complainant') v. Bajaj Hindustan Limited, Kinauni ('BHL')	BHL is in the process of expanding a kacha road to make it serviceable for transportation purposes. The Complainant filed this suit seeking an injunction against BHL to restrict BHL from expanding the road by acquiring certain portion of the Complainants land on both sides leading to the BHL factory on the ground that it denies the Complainant the right to continue agricultural activities.	NA	The matter is pending.
11.	Additional Court, Civil Judge, Junior Division, Meerut Case No. 893/2004	Shyam Singh ('Complainant') v. Collector, Meerut, Bajaj Hindustan Limited, Kinauni ('BHL') and others	BHL is in the process of expanding a kacha road to make it serviceable for transportation purposes. The Complainant filed this suit seeking an injunction against BHL to restrict BHL from expanding the road by acquiring certain portion of the Complainants land on both sides leading to the BHL factory on the ground that it denies the Complainant the right to continue agricultural activities.	NA	Matter is pending
12.	Additional Court, Civil Judge, Junior Division,	Bahwar Singh ('Complainant') v. Bajaj Hindustan	BHL is in the process of expanding a kacha road to make it serviceable for transportation purposes.	0.50	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Meerut Case No. 997/2004	Limited Kinauni ('BHL')	The Complainant filed this suit praying for removal of debris from the Complainants land by BHL and compensation for the same.		
13.	Civil Judge, Junior Division, Baghpat Case No. 32/2006	State of Uttar Pradesh v. Sanjeev Kumar ('Accused')	The Accused was hired by Bajaj Hindustan Limited Kinauni ('BHL') as the sugarcane weighing clerk. The Criminal Complaint is filed by BHL against the Accused under sections 406 & 420 of the Indian Penal Code, 1860 for committing an error during the process of weighing of sugar cane in the employment of BHL.	NA	Matter is pending
14.	Civil Judge, Junior Division, Baghpat Case No. 967/2005	State of Uttar Pradesh v. Lokendra Singh & Ors ('Accused')	The Accused were hired by Bajaj Hindustan Limited Kinauni ('BHL') as the sugarcane weighing clerk. The Criminal Complaint is filed by BHL against the Accused under sections 406 & 420 of the Indian Penal Code, 1860 for committing an error during the process of weighing of sugar cane in the employment of BHL.	NA	Matter is pending
15.	Court of Additional Chief Judicial Magistrate, Meerut Cr. Case No. 531/2007	Bajaj Hindustan Limited Kinauni ('BHL') v. Ankur Baliyan ('Accused')	BHL has filed the Complaint against the Accused under section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheque and recovery of the amount.	0.38	Matter is pending
16.	Additional District Judge, Meerut	Kushalpal ('Complainant') v. Bajaj Hindustan Limited Kinauni ('BHL')	The Complainant has filed the Complaint claiming discrepancy in the payment of sugarcane by BHL to the Complainant. BHL in its reply has stated that BHL has made all payment to all the pending dues through the Cane Co-operative Society.	NA	Matter is pending
17.	District Judge, Meerut Motor Accident Case No. 875/2008	Smt. Krishna Devi ('Complainant') v. Bajaj Hindustan Limited Kinauni ('BHL')	Mr. Janesh Sharma met with an accident while he was at his duty of security personnel at BHL. The case is filed by his widow (Complainant) for Compensation. BHL in its reply stated that Janesh Sharma was on a contract from Senik Securities and hence, BHL claimed no liability in the matter.	3.64	Matter is pending
18.	Labour Enforcement Officer, Meerut MWA No. 79/2008	State of Uttar Pradesh v. Bajaj Hindustan Limited Kinauni ('BHL')	The Labour Enforcement Officer made a sudden inspection to the Cane Center of BHL under the Minimum Wages Act and laid a penalty on BHL. BHL in its reply stated that the Employee was on a contract (contract labour) from Mr. Keshav Sharma (Contractor) and claimed that BHL had paid minimum statutory wages to the Contractor for the Employee.	0.03	Matter is pending
19.	Labour	State of Uttar Pradesh	The Labour Enforcement Officer made a	0.03	Matter is

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Enforcement Officer, Meerut MWA No. 80/2008	v. Bajaj Hindustan Limited Kinauni ('BHL')	sudden inspection to the Cane Center of BHL under the Minimum Wages Act and laid a penalty on BHL. BHL in its reply stated that the Employee was on a contract (contract labour) from Mr. Nafis Ahmed (Contractor) and claimed that BHL had paid minimum statutory wages to the Contractor for the Employee.		pending
20.	Labour Enforcement Officer, Meerut PWA No. 39/2008	State of Uttar Pradesh v. Bipin Bhatti, Bhatti Constructions (Contractor) & Bajaj Hindustan Limited Kinauni ('BHL')	The Labour Enforcement Officer made a sudden inspection on May 26, 2008 of the factory premises of BHL and issued a notice in this regard under the Payment of Wages Act. BHL in its reply dated June 08, 2008 pointed out that the period at which the inspection was conducted was an off-season period and hence the BHL premises cannot be called a factory under the definition of factory in the Factories Act and does not fall in the scope of Payment of Wages Act. BHL also claimed that it had maintained a register of all the employees and their wages which was not checked and signed by the Labour Enforcement Officer as per the Statue during the inspection.	NA	Matter is pending
BILLAI					
1.	Civil Judge, Senior Division, Bijnor Original Suit 254/2008	Bajaj Hindustan Limited Billai ('BHL') v. Dataram Chikara & Ors. ('Respondents')	BHL had filed the suit for a permanent injunction as a preventive action against agitation in the radius of 500 meters from the factory boundaries. BHL had obtained an injunction till January 28, 2010 vide order dated December 22, 2009 and has made an application for the extension of the period of the Injunction from the due date.	NA	Matter is pending
2.	Chief Judicial Magistrate, Bijnor Criminal Case No. 5709/2008	Bajaj Hindustan Limited Billai ('BHL') v. Pawan Kumar ('Accused')	BHL had filed an FIR dated February 28, 2007 against the Accused under section 408 of the Indian Penal Code, 1860. The Police has filed a chargesheet against the Accused and the matter has been entered the Court of Chief Judicial Magistrate, Bijnor	NA	Matter is pending
3.	Deputy Labour Commissioner, Meerut WCA No. 163/2006	Mr. Hamid (Complainant') v. Bilai Sugar Mill Limited, Shishir Bajaj, Manager & M.D. Bajaj Hindustan Limited Billai & Ors ('Respondents')	The Complainant filed the Complaint dated June 14, 2006 under the Workmen Compensation Act claiming compensation from the Respondents. The Respondents filed a reply dated July 10, 2006 stating that the complaint was filed during off-season when the company was not in operation. The Respondents also claimed that the Complainant was on a contract through	0.4	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			SS Engineers (Contractors).		
4.	Assistant Labour Commissioner, Bijnor PWA No. 11/2007	Abdul Hamid & 12 Ors ('Complainants') v. Bajaj Hindustan Limited Billai ('BHL') & Ors ('Respondents')	The Complainants on contract from Gannon Duckel & Company Limited (Contractor) have filed the complaint dated February 01, 2007 for non-payment of wages. BHL has filed the reply dated May 24, 2007 denying the allegations of the Complainants and also claimed that the Complainants have never been hired for their services from the Contractor for BHL.	1.05	Matter is pending
MAQSOODAPUR					
1.	Civil Judge Junior Division, Powayn Case No. 113/2008	Chandra Mohan ('Complainant') v. Madhyanchal Vidhyut Vitaran Nigam Limited ('MVVL') & Bajaj Hindustan Limited Maqsoodpur ('BHL')	The Complainant filed the complaint for seeking a permanent injunction against MVVL & BHL from installing an electric tower pole on the land under the ownership and possession of the Complainant. BHL has paid Complainant the compensation and the construction of tower is complete.	NA	Matter is pending
2.	Civil Judge Junior Division, Powayn Case No. 115/2008	Rajesh Kumar ('Complainant') v. Madhyanchal Vidhyut Vitaran Nigam Limited ('MVVL') & Bajaj Hindustan Limited Maqsoodpur ('BHL')	The Complainant filed the complaint for seeking a permanent injunction against MVVL & BHL from installing an electric tower pole on the land under the ownership and possession of the Complainant. BHL has paid Complainant the compensation and the construction of tower is complete.	NA	Matter is pending
3.	Civil Judge Junior Division, Powayn Case No. 117/2008	Prem Chand ('Complainant') v. Madhyanchal Vidhyut Vitaran Nigam Limited ('MVVL') & Bajaj Hindustan Limited Maqsoodpur ('BHL')	The Complainant filed the complaint for seeking a permanent injunction against MVVL & BHL from installing an electric tower pole on the land under the ownership and possession of the Complainant. BHL has paid Complainant the compensation and the construction of tower is complete.	NA	Matter is pending
KAMBERKHERA					
1.	Civil Judge Senior Division, Lakhimpur Original Suit No. 346/2006	Sohan Singh & Ors ('Complainants') v. Bajaj Hindustan Limited Kamberkhera ('BHL')	The Complainants claim ownership over the piece in the plot of land being plot no. 66 admeasuring 6.27 acres out of the total area of 12.54 acres. The main contention of the Petitioner is that Mishree Lal from	NA	Matter is pending
2.			whom BHL has purchased half share of above plots has no right to transfer his share to BHL. The other half plot has been purchased by BHL from Karam Singh & Param Jeet Singh who has no right to transfer their shares to BHL there was no partition between the co tenants. The Complainants have filed the complaint on November 1, 2006 for the cancellation of the Sale Deed executed		

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			between BHL and Mishree Lal and also prayed for permanent injunction to restrain BHL from the possession of the land.		
			There is a mutation order dated July 26, 1995 in favour of Mishree Lal to the title over the land. The land is situated outside the factory premises. No building, plant or machinery has been constructed or installed on the land.		
3.	Additional Civil Judge Junior Division, Lakhimpur Original Suit No. 523/2006	Sohan Singh ('Complainant') v. Hurbux Singh & Ors ('Respondents')	The Complainant claims that he had sold 2.76 of land on plot no. 66. The main contention of the Complainant is that he had sold the land to Harbaux Singh and Satvinder Kaur leaving two lattha passage in the above land. But Harbaux Singh and Satvinder Kaur have transferred the land including the lattha passages to Bajaj Hindustan Limited Kamberkhera (BHL). The Complainants have filed the complaint dated May 24, 2006 for the cancellation of the Sale Deed executed between BHL and also prayed for permanent injunction to restrain BHL from the possession of the land. The land is situated outside the factory premises. No building, plant or machinery has been constructed or installed on the land.	NA	Matter is pending
4.	Civil Judge Junior Division, Lakhimpur Original Suit No. 797/2005	Mr. Banwari Lal & Ors ('Complainants') v. Mr. Bhikari & Mr. Shrikrishan ('Defendants')	The Complainants claim ownership over the piece in the plot of land being plot no. 59 admeasuring 0.25 acres. The main contention of the Petitioner is that they had purchased the said land from Mr. Bhikari in the year 1985 and constructed houses on the same for residential purposes. Later the said land was transferred by Mr. Bhokari to Mr. Shrikrishan who is an employee of the Bajaj Hindustan Limited Golagokarannath. The Complainants have filed the complaint dated May 24, 2006 for the cancellation of the Sale Deed executed between BHL and also prayed for permanent injunction to restrain BHL from the possession of the land. The land is situated outside the factory premises. No building, plant or machinery has been constructed or installed on the land.	NA	Matter is pending
5.	Civil Judge Junior Division, Lakhimpur Original Suit No. 718/2006	Chotey Lal ('Complainant') v. Moolchandra & Bajaj Hindustan Limited Kamberkhera ('BHL') ('Respondents')	The Complainant claims ownership over the piece in the plot of land being plot no. 1127 admeasuring 49 acres. The main contention of the Petitioner is that the Complainant and Mr. Moolchandra are real brothers and they had an equal	NA	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			share of the land to themselves. Mr. Mool Chandra has transferred the total land in favour of BHL.		
			The Complainants have filed the complaint dated July 25, 2006 for the cancellation of the Sale Deed executed between Mr. Moolchandra and BHL and also prayed for permanent injunction to restrain BHL from the possession of the land.		
			The land is situated outside the factory premises. No building, plant or machinery has been constructed or installed on the land. The land is used in bio-composting.		
6.	Civil Judge Senior Division, Lakhimpur Original Suit No. 94/2005	Mr. Moti ('Complainant') v. Mahesh Chandra Pandey (employee of Bajaj Hindustan Limited) ('Respondent')	The complaint was filed by the Complainant dated May 12, 2005 with regard to the compensation for the trees present on the land purchased by the Bajaj Hindustan Limited through the Respondent. The Complainant also prayed for permanent injunction against the cutting or removal of the trees which got rejected.	0.12	Matter is pending
7.	Additional District Magistrate (F&A), Lakhimpur	State of Uttar Pradesh v. Udai Kumar Saxena	Bajaj Hindustan Limited Kamberkhera ('BHL') purchased a plot of land from Mr. Udai Kumar Saxena. A Notice was issued dated December 27, 2006 to Mr. Udai Kumar Saxena by Additional District Magistrate under section 47A of the Stamp Act against payment of lower stamp duty and penalty on the same. BHL filed an appeal against notice to Commissioner Stamps, Lucknow. Commissioner stated that a hearing be granted to BHL vide order dated October 18, 2007.	0.08	Matter is pending.
8.	Chief Controlling Revenue Authority Commissioner, Lucknow	State of Uttar Pradesh v. Raj Kumar Gupta	Bajaj Hindustan Limited Kamberkhera ('BHL') purchased a plot of land from Mr. Raj Kumar Gupta A Notice was issued dated December 27, 2006 to Mr. Raj Kumar Gupta by Additional District Magistrate under section 47A of the Stamp Act against payment of lower stamp duty and penalty on the same. BHL filed an appeal against notice to Commissioner Stamps, Lucknow and deposited the 1/3rd amount of the Notice. Additional Commissioner stated that a hearing be granted to BHL vide order dated December 04, 2008.	0.04	Matter is pending.
BARKHERA					

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
1.	Civil Judge Senior Division, Bisalpur Case No. 45/2006	Bajaj Hindustan Limited Barkhera ('BHL') v. Naresh Gautam ('Respondent')	BHL is constructing a drainage line nearby the Respondents Land. BHL has filed the Complaint praying for an injunction against the Respondent during the construction of the drainage line. The injunction was granted till the construction of drainage line is completed vide order dated February 27, 2006	NA	Matter is pending
2.	Assistant Collector, Tahsildar, Bisalpur Case No. 25/2006	Gram Sabha, Gulahara Gram, Machwapur (Complainant) v. Bajaj Hindustan Limited Barkhera ('BHL')	The Complainant has filed the Complaint dated July 16, 2006 under section 122 of the Uttar Pradesh ZA & LR Act claiming unauthorized possession of BHL on the Complainant's land. The Forum had passed an order dated March 12, 2008 in favour of BHL. However the matter was restored on July 21, 2008 since the permission from the Government Department at Lucknow is awaited.	1.76	Matter is pending
3.	Assistant Collector, Tahsildar, Bisalpur Case No. 26/2006	Gram Sabha, Muradabad (Complainant) v. Bajaj Hindustan Limited Barkhera ('BHL')	The Complainant has filed the Complaint dated July 16, 2006 under section 122 of the Uttar Pradesh ZA & LR Act claiming unauthorized possession of BHL on the Complainant's land. The Forum had passed an order dated March 12, 2008 in favour of BHL. However the matter was restored on July 21, 2008 since the permission from the Government Department at Lucknow is awaited.	0.18	Matter is pending
4.	Deputy Labour Commissioner, Bareilly PWA No. 68/2007	Sukhdev Singh ('Complainant') v. Gopal Krishan Sachdeva ('Contractor') & Bajaj Hindustan Limited Barkhera ('BHL') ('Respondents')	The Complainant filed the complaint dated July 17, 2007 under the Payment of Wages Act claiming non-payment of wages. BHL has filed its reply dated September 20, 2007 stating that the Complainant was hired for his services by the Contractors and was not in a direct employment with BHL. Hence, BHL is not responsible for the payment of wages to the Complainant.	0.19	Matter is pending
5.	Sub-Divisional Magistrate, Bisalpur Case No. 01/2007-08	Sahakari Ganna Samiti, Pilibhit ('Complainant') v. Bajaj Hindustan Limited Barkhera ('BHL'), Ashok Gangwar & Ors. ('Respondents')	The Complainant has filed the Complaint dated August 08, 2008 alleging that BHL purchased sugarcane outside the area allotted to BHL by the Cane Commissioner. BHL in its reply dated August 21, 2009 denied the allegations of the Complainant and stated that it had followed the allotment as provided by the Cane Commissioner.	NA	Matter is pending
BHAISANA / BUDHANA					
1.	Civil Judge Senior Division, Muzaffarnagar	Krishna Kumar Tyagi ('Complainant') v. Bajaj Hindustan Limited Bhaisana	The State Government has leased a land admeasuring 0.587 acres of land situated at Budhana village.	NA	Matter is pending.

Sr. No.	Forum	Filed by/ against (‘BHL’)	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Case No. 142/2005				
2.			The Complainant filed the complaint dated February 11, 2005 claiming ownership over the land and prayed permanent injunction and to restrain BHL having possession over the land. BHL has covered the said land by constructing its unit over the land.		
3.	Civil Judge Senior Division, Muzaffarnagar Case No. 380/2007	Parveen Tyagi (‘Complainant’) v. Bajaj Hindustan Limited Bhaiana (‘BHL’)	The State Government has leased a land admeasuring 0.709 acres of land situated at Budhana village. The Complainant filed the complaint dated May 21, 2007 claiming ownership over the land and prayed permanent injunction and to restrain BHL having possession over the land. BHL has filed reply dated May 29, 2007 and has covered the said land by constructing its unit over the land.	NA	Matter is pending
4.	Civil Judge Senior Division, Muzaffarnagar Case No. 106/2006	Bajaj Hindustan Limited Bhaiana (‘BHL’) v. Vinod Malik (‘Respondent’)	BHL had filed the suit against the Respondent for a permanent injunction as a preventive action against agitation. BHL had obtained an injunction order which granted an injunction and allowed no agitation within the radius of 300 meters from the Factory boundaries.	NA	Matter is pending
5.	Court of District Judge, Muzaffarnagar CA No. 58/2009	Bajaj Hindustan Limited Bhaiana (‘BHL’) v. Jagveer Singh (‘Respondent’)	The original complaint dated October 27, 2005 was filed by the Respondent praying an injunction be granted against BHL and restrain BHL from Respondents land for construction/ widening of road. BHL filed a reply dated December 06, 2005 denying the ownership and possession of the Respondent on the land. The Court vide order dated May 26, 2009 granting a permanent injunction in favour of the Respondent. Aggrieved by the order, BHL has filed the appeal.	NA	Matter is pending
6.	Labour Court, Saharanpur Case No. 98/2008	Rajpal Rana (‘Complainant’) v. Bajaj Hindustan Limited Bhaiana (‘BHL’)	BHL had suspended the Respondent for not resuming the work after his transfer. The Complainant filed the Complaint dated April 29, 2008 praying reinstatement on duty and payment of outstanding wages for the period of suspension along with legal expenses. BHL filed its reply dated June 25, 2008 stating that the matter relates to transfer of employee and not the termination and hence is out of the jurisdiction and scope of the Forum.	NA	Matter is pending
7.	Labour Court, Saharanpur Case No. 97/2008	Jitendra Rana (‘Complainant’) v. Bajaj Hindustan Limited Bhaiana (‘BHL’)	BHL had suspended the Respondent for not resuming the work after his transfer. The Complainant filed the Complaint dated April 29, 2008 praying	NA	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			reinstatement on duty and payment of outstanding wages for the period of suspension along with legal expenses.		
			BHL filed its reply dated June 25, 2008 stating that the matter relates to transfer of employee and not the termination and hence is out of the jurisdiction and scope of the Forum.		
8.	Labour Court, Saharanpur Case No. 97/2008	Bijendra Rana ('Complainant') v. Bajaj Hindustan Limited Bhaiana ('BHL')	BHL had suspended the Respondent for not resuming the work after his transfer. The Complainant filed the Complaint dated April 29, 2008 praying reinstatement on duty and payment of outstanding wages for the period of suspension along with legal expenses. BHL filed its reply dated June 25, 2008 stating that the matter relates to transfer of employee and not the termination and hence is out of the jurisdiction and scope of the Forum.	NA	Matter is pending
GOLAGOKARANNATH					
1.	Civil Judge Junior Division, Mohammadi Case No. 04/2000	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Vigayan Murari ('Respondent')	BHL had filed the Complaint dated January 11, 2000 for injunction against the Respondent with regard to the demarcation of the boundaries of the plots of land belonging to the Parties. A Commission was appointed by the Court for an inquiry into the matter. The report of the Commission was in favour of BHL to which the Respondent demanded a Recommission.	NA	Matter is pending
2.	Civil Judge Junior Division, Mohammadi Case No. 59/1991	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Nagar Palika, Golagokarannath ('Respondent')	BHL had filed the Complaint praying for a permanent injunction against the Nagar Palika for the demolition of a gate of the BHL factory in Golagokarannath. The Court granted a temporary injunction till the pendency of the case to BHL vide interim order dated May 20, 1991.	NA	Matter is pending
3.	Civil Judge Junior Division, Mohammadi Case No. 143/2008	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Dulare & Others ('Respondents')	BHL has filed the complaint praying for a permanent injunction against the Respondents from intervention at BHL's land and the erection work being carried on that land. The permanent injunction was granted to BHL. BHL had made an application for withdrawal on January 16, 2010 and the next date of hearing was February 08, 2010.	NA	Matter is pending
4.	Additional Civil Judge, Kheri Case No. 65/1994	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Bindal Agro ('Respondent')	BHL filed the Complaint in March 02, 1994 against the Respondent for recovery of dues towards differential price of alcohol sold to BHL. Respondents filed their reply dated	2.5	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			October 30, 1995.		
			There is another case filed in Delhi for which the Respondents prayed double jeopardy. However, this got rejected vide order dated October 14, 1999.		
			Aggrieved by the order dated October 14, 1999 the Respondent has filed a writ and obtained a stay of the proceeding.		
5.	Civil Judge, Kheri Case No. 108/1997	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Rajasthan Ganga Nagar Sugar Limited ('Respondent')	BHL has filed the case against the Respondents claiming the recovery of the amount deposited as earnest money. The Civil Judge directed the matter for arbitration vide order dated January 02, 2003	1.67	Matter is pending
6.	Civil Judge, Kheri Case No. 06/2002	Raja Ram Awasthi ('Complainant') v. Bajaj Hindustan Limited Golagokarannath ('BHL')	The Complainant has filed the execution proceeding for getting the decree dated March 19, 2002 which was against BHL in the case being Case No. 86/2000. BHL had filed a writ for the stay of execution of the decree which was granted vide order dated May 22, 2002.	0.97	Matter is pending
7.	Civil Judge, Kheri Case No. 231/1998	Bajaj Hindustan Limited Golagokarannath ('BHL') v. State Sugar Corporation, Maholi ('Respondent')	BHL has filed the suit dated December 10, 1998 for recovery of the amount against the Respondent.	0.12	Matter is pending
8.	Additional Civil Judge, Kheri Case No. 193/1998	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Mata Santoshi International ('Respondent')	BHL had filed the case in October 1998 praying a mandatory injunction against the Respondent and to direct the Respondent to supply 16 P.D.25, P.D.26, Form H, Bill of Shipping & Lading. Respondent has filed its reply dated March 23, 1999 denying the claims.	NA	Matter is pending
9.	Civil Judge, Kheri Case No. 20/2003	Bajaj Hindustan Limited Golagokarannath ('BHL') v. President, Nagar Palika, Golagokarannath ('Respondent')	BHL has filed the current suit against the Nagar Palika, Golagokarannath praying for a permanent injunction against the demolition of the old factory wall by the Respondent for Public Utility. BHL has been granted a temporary injunction vide order dated January 27, 2003.	NA	Matter is pending
10.	Civil Judge Senior Division, Badaun Case No. 39/2002	Bajaj Hindustan Limited Golagokarannath ('BHL') v. Ganesh Paper Mill ('Respondent')	BHL had filed a suit against the Respondent for the recovery of the amount. The original suit was decided against BHL. Aggrieved by the decision, BHL filed a revision application being Revision Application No.26/1999 which was allowed by the order dated January 09, 2004 of Additional District Judge and was transferred to the forum as this complaint.	0.21	Matter is pending
11.	Consumer District Forum, Kheri	Smt. Sarojini Devi ('Complainant') v.	The Complainant filed the complaint dated September 23, 2005 praying for	0.2	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Case No. 230/2005	Bajaj Hindustan Limited v. Golagokarannath ('BHL')	the issue of the duplicate share certificate for 500 shares or payment of their equivalent market value. BHL has filed its reply stating that the matter is out of the scope & jurisdiction of the Forum.		
12.	Consumer District Forum, Kheri Case No. 231/2005	Ram Dayal ('Complainant') v. Bajaj Hindustan Limited Golagokarannath ('BHL')	The Complainant filed the complaint dated August 16, 2005 praying for the issue of the duplicate share certificate for 500 shares or payment of their equivalent market value. BHL has filed its reply stating that the matter is out of the scope & jurisdiction of the Forum.	0.2	Matter is pending
13.	Civil Judge Senior Division, Kheri Case No. 294/2006	Ramesh Krishna on behalf of the Gram Sabha, Golagokarannath ('Complainant') v. Bajaj Hindustan Limited Golagokarannath ('BHL')	The Complainant has filed the Complaint dated September 25, 2006 claiming unauthorized possession of land by BHL used as a cane center. The Complainant states that the land is in ownership of the Complainant and to be used for public purposes only. BHL has filed its reply dated November 20, 2006 stating that the Complainant had prior to the filing of the complaint granted a permission to BHL for the use of said land and also enjoyed the rent paid by BHL.	NA	Matter is pending
14.	District Magistrate, Kheri Case No. 55/2006	Basir Ahmed ('Complainant') v. Bajaj Hindustan Limited Golagokarannath ('BHL')	The Complainant has filed the complainant claiming compensation for the accident that occurred while loading of sugar bags causing grievous injuries to the Complainant while in the course of employment of BHL. BHL has filed its reply stating that the complainant was on contract.	0.7	Matter is pending
15.	Consumer Forum, Kheri Case No. 02/2006	Rajeshwari ('Complainant') v. New India Insurances & Bajaj Hindustan Limited Golagokarannath ('BHL')	The husband of the Complainant ('Victim') was covered under the group insurance scheme through BHL. The Victim met with an accident while in the course of the employment and the Complainant filed the case claiming compensation for the same from the Insurance Company and BHL. BHL has filed written statement on February 27, 2006.	0.12	Matter is pending
16.	AIG Stamps, Kheri	State v. Bajaj Hindustan Limited Golagokarannath ('BHL')	The notice dated October 03, 2006 was issued to BHL for recovery of stamp duty payable by BHL. BHL has filed its reply.	NA	Matter is pending.
17.	Senior Divisional Magistrate, Kheri Case No. 175/2007	State v. Mangal Singh & Bajaj Hindustan Limited, Golagokarannath ('BHL') ('Respondents')	The notice dated December 15, 2007 was issued to BHL for recovery of stamp duty payable by BHL. BHL has filed its reply.	NA	Matter is pending.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
18.	Civil Judge Senior Division, Kheri Case No. 142/2007	Ram Kumar Mishra ('Complainant') v. Bajaj Hindustan Limited, Golagokarannath ('BHL')	The Complainant had filed the complaint dated October 24, 2007 for obtaining a succession certificate for receiving the pension due to his father. BHL has filed its objection dated March 15, 2008.	NA	Matter is pending
19.	Consumer Forum, Kheri Case No. 256/2007	Ajit Singh ('Complainant') v. Bajaj Hindustan Limited, Golagokarannath ('BHL')	The case was filed by the Complainant on December 18, 2007 to claim compensation against the drip irrigation plant constructed by Maya Agency which was unsatisfactory. BHL has filed its reply dated March 02, 2009.	0.45	Matter is pending
20.	Consumer Forum, Kheri Case No. 47/2008	Mr. Surendra ('Complainant') v. Bajaj Hindustan Limited, Golagokarannath ('BHL')	The case was filed by the Complainant on February 01, 2008 to claim compensation against the drip irrigation plant constructed by Maya Agency which was unsatisfactory. BHL has filed its reply.	0.3	Matter is pending
21.	Consumer Forum, Kheri Case No. 195/2008	Sanjeev Kumar ('Complainant') v. Bajaj Hindustan Limited, Golagokarannath ('BHL')	The case was filed by the Complainant on February 10, 2008 to claim compensation against the drip irrigation plant constructed by Maya Agency which was unsatisfactory. BHL has filed its reply May 05, 2009.	0.1	Matter is pending
22.	District Judge Lakhimpur, Kheri Appeal No. 12/2008	Sikandar Jahan ('Appellant') v. Bajaj Hindustan Limited, Golagokarannath ('BHL')	The Original Complaint being Case No. 12/2000 was filed Mr. Salim (husband of the Appellant) praying for an injunction against the vacation of a quarter provided to him for his residence during the employment of BHL. The Civil Judge made an order in favour of BHL. Aggrieved by the order of the Civil Judge, the Appellant filed the Appeal.	NA	Matter is pending
23.	Civil Judge Senior Division, Kheri Case No. 104/2008	Sulekha Bhatnagar ('Complainant') v. Bajaj Hindustan Limited, Golagokarannath ('BHL')	The Complainant has filed the complaint claiming recovery of dues against supply & services of spare parts.	0.67	Matter is pending
24.	Consumer Forum, Kheri Case No. 231/2008	Chandrika Prasad ('Complainant') v. Saryu Gramin Bank ('Bank') & Bajaj Hindustan Limited, Golagokarannath ('BHL')	The Complainant had filed the complaint dated September 15, 2008 claiming that the money deposited in the account of the Complainant were not allowed to be debited by the bank. BHL has filed a reply stating that it had deposited the amount as per the agreement with the Complainant in the account with the Bank.	0.02	Matter is pending
25.	Sub Divisional Magistrate, Golagokarannath	Bajaj Hindustan Limited, Golagokarannath ('BHL') v. Ram Sewak ('Respondent')	BHL has filed the complaint against the Respondent under section 59 & 180 of the Uttar Pradesh Tenancy Act. A notice dated September 5, 2007 was	NA	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			given to the Respondent prior to filing of the complaint under section 80 of Civil Procedure Code. Magistrate has issued summons.		
26.	Sub Divisional Magistrate, Golagokarannath	Rakesh Kumar Tripathi ('Complainant') v. Bajaj Hindustan Limited Golagokarannath ('BHL')	<p>The Complainant has filed this complainant dated December 20, 2007 stating BHL responsible for public nuisance by illegal possession at gate No. 200 admeasuring 0.69 acres.</p> <p>BHL has filed its reply stating that the land is a private property and there is no public nuisance caused.</p>	NA	Matter is pending
27.	Civil Judge Senior Divison, Kheri Case No. 18/1996	Bajaj Hindustan Limited Golagokarannath ('BHL') v. District Forest Officer ('DFO')	<p>The present suit is filed by BHL for specific performance of the sale contract against the Government for execution of sale deed in respect to 30 acres of forest land agreed to be sold by the Government to subsidiary company of BHL, which was later on amalgamated with BHL. The sale price of Rs. 90,000 was deposited with the Government and the government order in respect to the sale was cancelled on the allegation that the project for which the land was purchased could not materialize.</p> <p>Hence, according to the condition of sale, the land stands reverted to the Government. On such reversion, BHL applied for said land for industrial purposes which has not been granted</p>	0.09	Matter is pending
28.	Sub-Divisional Magistrate, Kheri Case No. 73/2003	Bajaj Hindustan Limited Golagokarannath ('BHL') v. District Forest Officer ('DFO')	<p>The DFO filed an application to evict BHL from the land admeasuring 19.36 acres leased out by the State Government of Uttar Pradesh. The Application also sought the recovery of damages. The principal allegation in the application was unauthorized possession of the Forest land for a period of 39 years. The DFO filed an application dated March 18, 2009 with the Forum stating that such eviction matter fell within the jurisdiction of DFO. Subsequently, the DFO issued a show cause notice being SCN No. 01/2009 dated April 16, 2009 alleging encroachment on the land. Pending such adjudication, BHL paid the rent and the premium for the disputed land. DFO acknowledged the receipt of rent and premium from BHL and further clarified the position with respect to the land that the matter relating to the lease is pending before the applicable administrative authorities of State of Uttar Pradesh. A notice was issued to the company on February 25, 2009 alleging unauthorized possession and non-payment of lease rent and premium pursuant to an order issued by the applicable administrative authorities of the State of Uttar Pradesh. The Comp may was also directed to renew such lease by December 31, 2009. The lease</p>	19.6	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			<p>has not been renewed so far.</p> <p>The DFO further advised the company to withdraw the Writ Petition No. 4217/MP/2003 (which has been withdrawn by BHL) as a precondition for renewal of such lease. Further, the DFO stated that until the cases pending against the company are disposed off, any proposal for renewal of lease of such forest land will not be considered.</p> <p>The company has applied for extension of time for complying with the conditions.</p>		
29.	Sub-Divisional Magistrate, Kheri	Bajaj Hindustan Limited Golagokarannath ('BHL') v. District Forest Officer ('DFO')	<p>The DFO filed an application to evict BHL from the land admeasuring 7.77 acres leased out by the State Government of Uttar Pradesh. The Application also sought the recovery of damages.</p> <p>The principal allegation in the application was unauthorized possession of the Forest land for a period of 34 years. The DFO filed an application dated March 18, 2009 with the Forum stating that such eviction matter fell within the jurisdiction of DFO. Subsequently, the DFO issued a show cause notice being SCN No. 02/2009 dated April 16, 2009 alleging encroachment on the land.</p> <p>Pending such adjudication, BHL paid the rent and the premium for the disputed land. DFO acknowledged the receipt of rent and premium from BHL and further clarified the position with respect to the land the original lease executed for 40 years had expired on December 31, 2002, BHL was directed to renew such lease by December 31, 2009. The lease has not been renewed so far.</p> <p>The DFO further advised the company to withdraw the Writ Petition No. 4217/MP/2003 (which has been withdrawn by BHL) as a precondition for renewal of such lease. Further, the DFO stated that until the cases pending against the company are disposed off, any proposal for renewal of lease of such forest land will not be considered. The company has applied for extension of time for complying with the conditions.</p>	7.75	Matter is pending
PALIAKALAN					
1.	District Magistrate, Kheri	Gram Sabha, Paliakalan ('Complainant') v. Bajaj Hindustan Limited Paliakalankalan ('BHL')	<p>The Tehsildar issued a notice to BHL regarding illegal possession over the land admeasuring 3.5 acres of Gram Sabha, Paliakalan and imposed a penalty of Rs. 31 million. BHL went for a revision to the District magistrate.</p> <p>The District magistrate ordered a</p>	0.06	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			revision and granted a chance to BHL for a hearing.		
			The tehsildar after hearing the BHL agreed for a land exchange and the land of BHL was exchanged but some portion remained.		
			The District Magistrate got changed and cancelled the exchange of the land and issued a penalty on BHL.		
2.	Assistant Labour Commissioner, Lucknow CB No. 22/2008	Sharda Worker Union ('Complainant') v. Bajaj Hindustan Limited Paliakalankalan ('BHL')	The Complainant filed the complaint dated January 21, 2008 on behalf of 16 workers demanding payment of wages as per the terms laid down by Sugar Wage Board. The Labour Board has also issued a notice to BHL dated August 24, 2009.	0.1	Matter is pending
3.	Civil Judge Junior Division, Kheri Civil Suit 763/1997	Sri Gurmukh Singh ('Complainant') v. Shri RC Singhal. General Manager; Bajaj Hindustan Limited Paliakalankalan ('BHL') & Others	The Complainant has filed the complaint alleging that BHL has setup a weighing bridge for weighing of sugarcane on Complainants land admeasuring 0.6 acres. The Complainant has prayed for vacation of the land and a permanent injunction against BHL. BHL has filed its reply dated September 14, 1998 and requested the Court for a survey of land.	NA	Matter is pending
4.	Chief Judicial Magistrate Cr. Case No. 325/1998	State v. A.K Pandey & Ors. ('Accused')	Bajaj Hindustan Limited Paliakalankalan ('BHL') filed FIR dated March 12, 1998 against the Accused for tagging of cane prices. High Court stayed the arrest of the Accused against the FIR vide order dated April 30, 1998. The matter has been transferred to the Court of Chief Judicial Magistrate.	0.02	Matter is pending
5.	Judicial Magistrate, Lucknow Cr. Case No. 122/2006	State v. Ram Lal, driver at Bajaj Hindustan Limited Paliakalankalan	The vehicle of Bajaj Hindustan Limited Paliakalankalan ('BHL') collided with a scooter. Ram Lal ('Driver') was arrested against an FIR Filed dated June 20, 2005 and the vehicle was seized. The FIR is still pending. Driver is bailed out and the scooter driver has been awarded the claim from the insurance company.	NA	Matter is pending
6.	Consumer Forum, Kheri Case No. 168/2006	Krishan Kumar Awasthi ('Complainant') v. Lucknow Shaitriya Gramin Bank ('Bank') & Bajaj Hindustan Limited Palikalan	The Complainant had filed the complaint dated May 31, 2006 claiming that the money deposited in the wrong account for the Complainant and hence could not be received by the Complainant. BHL has filed a reply stating that it had	0.02	Matter is pending

Sr. No.	Forum	Filed by/ against ('BHL')	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			deposited the amount as per the account details provided by the Complainant.		
7.	Consumer Forum, Kheri Case No. 143/2008	Jugna Devi ('Complainant') v. Co-operative Cane Association Limited (Cane Association'), Bajaj Hindustan Palikalan ('BHL') & New India Insurance ('Insurance')	The Complainant has filed the complaint claiming compensation regarding the pending dues of her husband Mr. Yagya Kumar against the sugarcanes supplied. BHL has filed its reply dated July 2, 2008 stating that BHL had deposited all the requisite amount with the Cane Association.	0.14	Matter is pending
8.	Consumer Forum, Kheri Case No. 132/2008	Putta Lal ('Complainant') v. Lucknow Shaitriya Gramin Bank ('Bank') & Bajaj Hindustan Limited Paliakalankalan ('BHL')	The Complainant had filed the complaint dated May 28, 2008 claiming that there was an illegal deduction in the payment by BHL due to the mistake of depositing money in the wrong account by BHL. BHL has filed a reply stating that it had deposited the amount as per the account details provided by the Complainant.	0.03	Matter is pending
9.	District Magistrate, Kheri	Perhlad Kumar ('Complainant') v. Bajaj Hindustan Palikalan ('BHL')	The Complainant filed the complaint dated February 21, 2006 under the Workmen Compensation Act stating that Complainant was employed on a contract by BHL & claimed compensation due to burns on face and neck during the course of employment at BHL. BHL filed its reply denying the employment of the Complainant and occurrence of any such incident in the BHL factory.	0.54	Matter is pending
10.	Civil Judge Senior Division, Kheri Case No. 365/2006	Paliakalankalan Bus Union ('Complainant') v. Bajaj Hindustan Limited Paliakalankalan ('BHL')	The Complainant had filed the complaint dated November 16, 2006 praying an injunction and demanded that BHL must stop carrying canes to the factory on trolleys and instead shall use trucks of the Complainant. BHL has filed its reply dated December 11, 2006 stating that the transportation of the canes to the factory is by Contractors and not the BHL.	NA	Matter is pending
11.	Tehsildar, Paliakalankalan Case No. 101/2007	Gram Sabha, Paliakalankalan ('Complainant') v. Bajaj Hindustan Limited Paliakalankalan ('BHL')	The Tehsildar issued a recovery notice dated June 15, 2006 to BHL on the Complaints of the adjoining owners of the land against BHL alleging that BHL has encroached upon the Kaccha Road for setting up of a Biocompost plant and proposed a penalty for the same. BHL filed a restoration application dated August 22, 2007 which has been allowed vide order dated January 22, 2008.	1.0	Matter is pending
12.	Tehsildar, Paliakalankalan Case No. 102/2007	Gram Sabha, Paliakalankalan ('Complainant') v. Bajaj Hindustan Limited Paliakalankalan ('BHL')	The Tehsildar issued a recovery notice dated June 15, 2006 to BHL on the Complaints of the adjoining owners of the land against BHL alleging that BHL has encroached upon the Kaccha Road for setting up of a MDF plant and proposed a penalty for the same.	1.0	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			BHL filed a restoration application dated August 22, 2007 which has been allowed vide order dated January 22, 2008.		
13.	Civil Judge Senior Division, Kheri Case No. 59/2007	Arun Kumar & Ors. ('Complainants') v. Bajaj Hindustan Limited Paliakalankalan ('BHL')	The Complainants filed the civil suit against BHL alleging that BHL has constructed an effluent drain (Nala) on the lands of the Complainants situated at Bijoria village. BHL has filed a reply dated August 12, 2008 denying the allegations of the Complainants.	0.06	Matter is pending
INDUSTRIAL TRIBUNAL, LUCKNOW					
1.	Industrial Tribunal, Lucknow ADJ Case No. 196/1993	Prahlad Kumar Mehta ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant was a clerk at BHL. The services of the Complainant were dismissed wef. December 30, 1991 on the charge of theft of factory property. The Complainant has filed this case against his dismissal and prayed for compensation.	1.03	Matter is pending
2.	Industrial Tribunal, Lucknow ADJ Case No. 30/1999	Mahendra Kumar Jha ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant was a store clerk at BHL. The services of the Complainant were terminated wef. December 26, 1995. The Complainant has filed this case against his dismissal and prayed for reinstatement and compensation. The Deputy Labour Commissioner made a reference to the Forum on February 18, 1999.	0.35	Matter is pending
3.	Industrial Tribunal, Lucknow ADJ Case No. 83/1998	Sanjay Garg ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant was a purchase assistant at BHL. The services of the Complainant were terminated w.e.f. December 26, 1995 due to his involvement in theft. The Complainant has filed this case against his dismissal and prayed for reinstatement and compensation. The Deputy Labour Commissioner made a reference to the Forum on October 16, 1998.	0.8	Matter is pending
4.	Industrial Tribunal, Lucknow ADJ Case No. 84/1998	Suresh Kumar ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant was a voucher paid employee at BHL. The services of the Complainant were terminated w.e.f. November 01, 1997. The Complainant has filed this case against his dismissal and prayed for reinstatement and compensation. The Conciliation Board made a reference to the Forum on October 16, 1998.	0.24	Matter is pending
5.	Industrial Tribunal, Lucknow ADJ Case No. 56/2004	Mr. Salim ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant resigned and his resignation was accepted by BHL on August 30, 2000. The Complainant has filed this case against his resignation claiming that the resignation was forcibly obtained by BHL and prayed for reinstatement and	0.28	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			compensation. The Deputy Labour Commissioner made a reference to the Forum.		
6.	Labour Court, Lucknow ADJ Case No. 153/2001	Vijay Kumar ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant was a hired to look after Land of Patraasi at BHL. The services of the Complainant were terminated wef. January 01, 2001. The Complainant has filed this case against his dismissal and prayed for reinstatement and compensation. The Deputy Labour Commissioner made a reference to the Forum.	0.16	Matter is pending
7.	Industrial Tribunal, Lucknow ADJ Case No. 70/1995	Raj Kumar Saxena ('Complainant') v. Bajaj Hindustan Limited ('BHL')	The Complainant was a welder at BHL. The services of the Complainant were terminated wef. November 19, 1994 due to his involvement in theft. The Complainant has filed this case against his termination and prayed for reinstatement and compensation. The case is a transfer case from the Gorakhpur Tribunal.	0.8	Matter is pending
HIGH COURT CASES					
1.	High Court of Allahabad, Lucknow Bench Writ Petition No. 1945/1988	Bajaj Hindustan Limited ('BHL') v. Presiding Officer, Labour Court & Ors. ('Respondents')	BHL had terminated the services of workers. Mr. BS Rawat pursued heir cases independently by filing a Case against BHL in the Labour Court. The award of Labour Court dated November 02, 1987 by the Presiding officer was against BHL. BHL aggrieved by the order of the Labour Court has filed the Writ claiming that the order of the Labour Court was based on illegal evidence.	1.94	Matter is pending
2.	High Court of Allahabad, Lucknow Bench Writ Petition No. 31/2002	Bajaj Hindustan Limited ('BHL') v. Raja Ram Awasthy ('Respondent')	The Respondent was a compounder and covered under the Government Grade Employees. The Respondent was retired on July 16, 2000. The Respondent filed a declaratory injunction suit being 86/2000 challenging his date of retirement. The Civil Judge, Kheri passed a decree dated March 19, 2002 in favour of the Respondent. BHL has filed the Writ in May against the order of the Civil Judge, Kheri and also for the stay of execution of the decree. The Hon'ble High Court has vide order dated May 22, 2005 stayed the execution of the decree until next date.	1.14	Matter is pending
3.	High Court of Allahabad, Lucknow Bench Writ Petition No. 4829/2005	Ramesh Prasad Gupta ('Appellant') v. Presiding Officer, Labour Court & Ors ('Respondent')	The original complaint was filed by the Appellant being 163/2000 against Bajaj Hindustan Limited ('BHL') in November 2000 in the Labour Court against the suspension order of the Appellant for stealing of goods dated April 16, 1998. Labour Court ordered against plaintiff	0.5	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			vide order dated December 21, 2004. Appellant has preferred a Writ of Certiori and prayed quashing of the order of the Labour Court and reinstatement of the Appellant to work and cost.		
4.	High Court of Allahabad, Lucknow Bench Writ Petition No. 2888/2003	S.C. Shukla ('Appellant') v. Bajaj Hindustan Limited ('BHL')	<p>This matter pertains to the dispute between BHL and its employee (Appellant) relating to failure on the part of the Appellant to submit his personal details to BHL. The date of birth of the Appellant was wrongfully recorded and BHL denied timely submission of the same.</p> <p>A notice of retirement was issued. Aggrieved from the same, the Appellant approached the Deputy Labour Commissioner, Lucknow by his application dated June 8, 2000. The Deputy Labour Commissioner passed the impugned order dated June 11, 2003 dismissed his application.</p> <p>The Appellant has appealed against the impugned order passed by the Deputy Labour Commissioner, Lucknow in C No. 5/2000 dated June 11, 2003 to direct the Respondent to reinstate the Appellant in service upto July 4, 2007 and pay him salary in the pendency of the petition. The writ petition has been admitted by the High Court of Allahabad (Lucknow Bench).</p>	0.63	Matter is pending
5.	High Court of Jaipur (Rajasthan)	Bajaj Hindustan Limited ('BHL') & Ors v. Maruti Lime and Allied Products India ('Respondent')	<p>The Respondent had filed a civil suit being Civil Suit No.152/2002 for the recovery of amount from BHL.</p> <p>The Court of District Judge, Ajmer decided the case in favour of the Respondent vide order dated June 04, 2004. BHL have filed the Writ in appeal against the order of the District Judge alongwith a stay application on the execution of the order.</p> <p>The Hon'ble High Court granted a stay on the execution of the order on a condition that BHL deposit Rs. 0.32 Million with the Court which BHL has deposited.</p>	0.4	Matter is pending
6.	High Court of Allahabad, Lucknow Bench Appeal No. 389/2003	State of Uttar Pradesh & Ors. ('State')v. Bajaj Hindustan Limited ('BHL')	<p>The Forest department filed a case in the court of Additional Chief Judicial Magistrate, Lakhimpur Kheri being Cri Case no. 1422 of 1997 and claimed Rs. 2.5 million as compensation against the damage caused by the effluents let out from BHL factory.</p> <p>The Additional Chief Judicial Magistrate vide order dated July 09, 1998 imposed a fine of Rs. 60500/-.</p> <p>Aggrieved by the order BHL filed an</p>	0.07	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			appeal in the Court of Special Judge on May 12, 2000 who allowed the appeal and dismissed the order of fine and compensation. Forest Dept filed a Criminal Revision under section 397 Criminal Procedure Code in High Court Lucknow bench which converted in Appeal no 389 of 2003.		
7.	High Court of Allahabad, Lucknow Bench Appeal No. 1196/1999	Bajaj Hindustan Limited ('BHL') v. Union of India	BHL filed a writ dated March 20, 1999 alongwith a stay application against the order of the Central Government dated July 13, 1998 advising BHL to pay interest on excess realisation for sugar levy prices for the year 1973-74. The Hon'ble High Court granted a vide order dated September 17, 1999.	30.20	Matter is pending
8.	High Court of Allahabad, Lucknow Bench Writ Petition No. 1317/2000	Bajaj Hindustan Limited ('BHL') v. Chief Controller Revenue Authority ('CCRA') & Ors.	CCRA. Allahabad rejected BHL's 25 revisions regarding stamp duty on patراسى land. BHL has the Writ before Hon'ble High Court Lucknow Bench, against the orders of CCRA, Allahabad and Assistant District Magistrate, Kheri. Hon'ble High Court has stayed operation of orders passed by CCRA & Assistant District Magistrate, Kheri until further orders.	5.5	Matter is pending.
9.	High Court of Allahabad, Lucknow Bench Writ Petition No. 87/1993	Bajaj Hindustan Limited ('BHL') v. Additional District Judge ('ADJ') & Nizam Sugar Limited	BHL has filed the Writ before the Hon'ble High Court of Allahabad, Lucknow Bench against the order of the ADJ dated August 27, 1992 decreeing a recovery against BHL. The Hon'ble High Court of Allahabad, Lucknow Bench has granted a stay on the operation of the decree.	0.08	Matter is pending
10.	High Court of Allahabad FAFO No. 3727/2008	Smt. Karandee & Others ('Appellant') v. Bajaj Hindustan Limited Billai ('BHL')	The Appellant has filed the appeal against the order passed by the Assistant Labour Commissioner in favour of BHL in the Complaint being WCA No. 23/2006 for compensation under Workmen's Compensation Act against death of Appellants husband in the course of employment with BHL.	1.35	Matter is pending
11.	High Court of Allahabad, Lucknow Bench Writ Petition No. 2004/2005	Bajaj Hindustan Limited ('BHL') v. Union of India & Ors.	BHL has challenged the illegal and arbitrary retrospective enhancement of siding maintenance charges by the railways administration. BHL had entered into an agreement with the President of India, acting through the Additional Chief Commercial Superintendent of North Eastern Railway Administration on November 10, 1962, August 24, 1976 and October 01, 1983 in respect of its Golangokarannath & Paliakalankalan units, respectively. The railway administration had arbitrarily enhance the siding maintenance charges vide their letter dated May 24, 2004 issued by the chief	3.12	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			Engineer, North Eastern Railway, Gorakhpur wef. April 01, 1992, April 01, 1997, and April 01, 2002. The Demand for retrospective revision has been stayed by the Forum. However the Forum has directed BHL to pay the enhanced siding charges for current period.		
12.	High Court Of Judicature At Bombay Ordinary Original Civil Jurisdiction	M/s Mata Santoshi International Marketing Pvt. Ltd. (Plaintiff) v. M/s Bajaj Hindustan Ltd. (BHL)	Plaintiff has filed the suit dated December 01, 1999 for the alleged loss suffered by the Plaintiff due to defect in the material (Ethyl Alcohol) manufactured and supplied by BHL.	2.55	Matter is pending
	Suit No. 6816 of 1999		BHL has filed its written statement on September 17, 2007 stating that the material supplied was as per the ISI specifications and the same was checked and certified by the Plaintiff. The matter was listed on board on September 28, 2007 with the Prothonotary & Senior Master, High Court, Bombay The suit has been transferred to the list of long causes.		
13.	High Court Of Judicature At Bombay Ordinary Original Civil Jurisdiction	Falcon Brokerage Private Limited (Plaintiff) v. Jayantilal Khandwala & Sons Private Limited (JKSPL) and Bajaj Hindustan Limited (BHL) (Defendants)	BHL had placed an Inter Corporate Deposit of Rs. 30,000,000 for 182 days @ 15% p.a. with the JKSP. The Plaintiff was the guarantor on behalf of KJSPL and had pledged shares with the BHL. JKSPL defaulted in the payment of the debt. BHL, in order to recover the same, sold the shares that were pledged by the guarantors for Rs. 11,605,009. The Plaintiffs have filed the suit dated July 06, 2007 against the Defendants and claimed from JKSP Rs 11,605,009 + 18% interest p.a. BHL is a formal party to the claim. The suit has been transferred to the list of long causes by the learned Prothonotary.	11.6	Matter is pending.
14.	High Court Of Judicature At Bombay Ordinary Original Civil Jurisdiction	Bajaj Hindustan Limited (BHL) v. Jayantilal Khandwala & Sons Pvt. Ltd. (JKSPL) & Ors (Defendants)	BHL had placed an Inter Corporate Deposit of Rs. 30,000,000 for 182 days @ 15% p.a. with the JKSP. The Plaintiff was the guarantor on behalf of KJSPL and had pledged shares with the BHL. JKSP defaulted the payment of debt to BHL and hence the suit s filed dated July 20, 2004. Vide order dated April 03, 2006 in the Summons for Judgement No. 836 of 2004, the Court ordered the Defendants to deposit in the Court an amount of Rs. 10,000,000 and the same shall be invested in the fixed deposit of the Nationalised Bank initially for a period of 3 years and renewed accordingly and transferred the suit to the list of commercial causes.	31.24	Matter is pending.
	Summary Suit No. 2392 of 2004				

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			<p>The Defendants filed appeals against the order dated April 03, 2006 being Appeals 402/2006, 422/2006 and 423/2006 which got dismissed by a common order dated June 28, 2006. The Defendant aggrieved by the order dated June 28, 2006 filed Special Leave Petitions being Special Leave Petition (Civil) No. 14390 of 2006 and Special Leave Petition (Civil) No. 14093 of 2006. The SLPs are pending.</p> <p>BHL had filed a Notice of Motion in September 2008 being Notice of Motion No. 3431 of 2008 for an interim order for the availment of the Deposit money amounting to Rs. 100,00,000 which was granted to in favour of BHL with a condition that BHL shall furnish bank guarantee for the same amount to the Court vide order dated January 21, 2010</p>		
15.	High Court, Madras Civil Suit 366 of 2008	Prabhat Kumar Nevatia ('Plaintiff') v/s Ashish Nevatia and others ('Defendants') (BHL is defendant no. 11 out of 24 defendants in this matter)	The petitioner has filed a plaint dated January 31, 2008 under order VII Rule 1 of the CPC read with order IV Rule 1 of the original side rules. The matter pertains to a family dispute and its settlement thereof. The Plaintiff has asked for a decree against the Defendants to allot 1/6 shares including all dividends and benefits, permanent injunction restraining the Defendants from alienating the shares, directing the Defendants to account for assets of the Srikrishna Pramod Kumar HUF.	2.01	The matter is pending hearing and final disposal.
OTHER CASES					
1.	City Civil Court at Ahmedabad Civil Suit No. 5731 of 1995	Mohanlal Mayabhai Patel & Rameshchandra Vasram Patel (Plaintiffs) v. Bajaj Hindustan Limited (BHL)	<p>Plaintiffs had filed the suit dated November 13, 1995 against BHL claiming to purchase the said shares in question and praying a permanent injunction against the transfer of 300 shares in favour of any other party except for the Plaintiffs.</p> <p>BHL received an ad-interim injunction orders dated November 14, 1995 restraining BHL from transferring the said shares upto December 06, 1995; December 13, 1995 restraining BHL from transferring the said shares upto December 26, 1995; December 30, 1995 restraining BHL from transferring the said shares till further hearing of the suit.</p> <p>BHL has at periodic intervals enquired about the case status regarding the shares in dispute but there has been no correspondence from the Plaintiffs on the same. The original share certificates are with BHL.</p>	NA	Matter is pending.
2.	Court of City Civil Judge, Bangalore	Mr. Ramesh Kumar & Ors v. Mr. Bishwarup & Ors.	Plaintiffs had filed the suit dated August 20, 1993 stating that the Plaintiffs had purchased the shares of the Defendants 2-13 and placed the same alongwith a	NA	Matter is pending.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	O.S. No. 10668/1993		signed transfer deed with Mr. Bishwarup for securing a loan. Mr. Bishwarup did not meet the requirements of the Plaintiffs instead wanted to dispose off the shares and debentures of the Plaintiffs. Plaintiffs have filed the suit praying for Permanent Injunction restraining the Defendants 2-13 not to transfer the shares to any third party or Mr. Biswarup. The Court granted an injunction order dated August 28, 1993 in favour of the Plaintiff till next date of hearing.		
3.	Court of Civil judge, J.D., Ulhasnagar Reg. Civil Suit No. 44 of 1997	Mrs. Bhagwanti H. Budhrani (Plaintiff) v. Bajaj Hindustan Limited (BHL)	The Plaintiff has filed the suit dated on February 20, 1997 stating that Plaintiff had sent the transfer deed for 50 shares of BHL. BHL had received the same and had returned the objection certificate being certificate no. 37105 which got misplaced in transit. The Plaintiff has filed the suit praying entitlement of the suit shares and permanent injunction on transfer of shares to any third party. The court vide its order dated July 31, 1998 granted a permanent injunction for the transfer of shares.	NA	Matter is pending.
4.	Court Of Civil Judge, J.D., Jetpur Reg Civil Suit No. 325/ 1999	Mr. Anantrai Jesukhlal (Plaintiff) v. Bajaj Hindustan Limited (BHL)	The Plaintiff had purchased 50 equity shares of BHL vide certificate no. 36987 being shares 1849301 to 1849350. Plaintiff had sent the same to the BHL for transfer which was not received by BHL. The plaintiff has filed the suit for entitlement of shares and also for permanent injunction against the transfer of the said shares to any third party. BHL has still not received the true copy of the order of injunction.	NA	Matter is pending.
5.	Court Of Civil Judge JD At Ulhasnagar R.C.S No. 116 of 2006	Mr. Mohkam Singh (Plaintiff) v. Bajaj Hindustan Limited (BHL)	Plaintiff has subscribed for 100 shares of BHL from certificate No. 37096 bearing distinctive No. 1854751 to 185480 & 415901 to 415950. BHL sent the said shares to the Plaintiff but the Plaintiff did not receive them and the shares have been diverted to some unknown person. Plaintiff has filed this suit praying declaration of ownership on the said shares, perpetual and temporary injunction against the transfer of the shares or any bonus shares or other benefits by BHL to any third party during the pendency of the suit and the cost of suit. Plaintiff has also filed an interim application dated April 20, 2006 for temporary injunction. BHL has filed its written statement on September 16,	NA	Matter is pending.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
6.	Court of Small Causes at Bombay RAE & R Suit No. 1366/ 96	Purushottam Dattatray Ghanekar (Plaintiff) v. Bajaj Hindustan Limited (BHL), Mrudula P Joshi, Anil Joshi & Vidyand Joshi (Defendants)	The Plaintiff has filed the suit dated May 8, 1996 for vacating and possession of the residential premises being flat No. 3, 1st floor, Plot No. 165, Dadar Matunga Estate, Vincent road, Bombay 400014 for non-payment of rent in respect of the said premises from 1975 onwards. The Plaintiff has also prayed for temporary injunction during the pendency of the suit and payment of arrears of rent for the period from April 1, 1993 to March 31, 1996 amounting to Rs. 3240/- and costs of the suit.	NA	Matter is pending.

iv. Criminal Cases filed against the officials of BHL

S. No.	Unit	Case/FIR No.	Names of our officers involved	Brief Particulars	Present Status of the case as per the company's officials	Writ Petition No. as filed in the Allahabad High Court by the affected company officials	Present Status of the writ petitions filed by the affected company officials
BHL							
1.	Kinauni	571/08	D.P. Sharma (Unit Head) and Narendra (Weighment Clerk)	Mr. D.P. Sharma has been charged sheeted by the police under Sections 420/ 427/ 468/ 471 of Indian Penal Code ("IPC") for underweighment of sugarcane.	A charge sheet has been filed by the Police. Notice from the Chief Judicial Magistrate ("CJM") awaited.	1115/09	Last listed on January 22, 2009, wherein an order was passed granting a stay on arrest till further hearing.
2.	Kinauni	601/08	D.P. Sharma (Unit Head) and Avdhesh Kumar (Weighment Clerk)	Mr. D.P. Sharma has been charged sheeted under Sections 420/467/468/120B of the IPC for making cash payments to certain farmers and for issuing cash receipts to certain farmers without any authority from the Sugarcane Development Society. Mr. D.P. Sharma and Mr. Kumar are also alleged to have violated Section 15 of the U.P. Sugarcane Act, 1953 ("Sugarcane	A charge sheet has been filed by the Police. Notice from the CJM awaited.	1114/09	Last listed on January 22, 2009, wherein an order was passed granting a stay on arrest till further listing, while the investigation is on.

S. No.	Unit	Case/FIR No.	Names of our officers involved	Brief Particulars	Present Status of the case as per the company's officials	Writ Petition No. as filed in the Allahabad High Court by the affected company officials	Present Status of the writ petitions filed by the affected company officials
				Act"), Rule 22 of the U.P. Sugarcane Rules, 1953 and Section 6(1) of the Sugarcane Control Order, 1966.			
3.	Kinauni	70/09	DP Sharma (Unit head) and Ghan Shyam (Weighment Clerk).	Mr. D.P. Sharma has been chargesheeted under Sections 420/120B of the IPC, Clause 4 of Schedule I of the U.P. Vaccum Pan Licensing Order, 1969 and Rules 38, 38A and 96 of the U.P. Sugarcane (Regulation of Supply and Purchase) Rules, 1954 for underweighment of sugarcane.	A charge sheet has been filed by the Police. Notice from the CJM awaited.	2937/09	Last heard on February 19, 2009, wherein an order was passed granting an extension of the stay on arrest. No further order of listing has been made.
4.	Barkhera	98/09	N.C. Agarwal (Unit Head), Kuldeep Pilania, Sanjeev Chaudhary, Sanjeev Kumar (Cane Department Officers)	A First Information Report ("FIR") has been filed against Mr. N.C. Agarwal under Sections 307, 504 and 506 of the IPC and under Section 3(ii)(v) of the Scheduled Caste and Scheduled Tribe (Prevention of Atrocities) Act, 1989 for allegedly threatening and using caste indicative language.	The investigation is in progress.	2967/09	Last listed on February 27, 2009, wherein an order was passed granting an extension of the stay on arrest.
5.	Bilai	49/08	Akhilesh Mishra (Unit Head)	An FIR has been filed against Mr. Akhilesh Mishra in this case which relates to Section 420 of the IPC and Section 22 of the Sugarcane Act, 1953 for alleged non-payment of sugarcane dues and underweighment.	The police has filed the final report before the CJM.	11444/08	This petition was disposed off on October 14, 2009, with the directions that investigations be made and pending investigations, no arrest be made. [order awaited]
6.	Gangnauli	44/08	Sanjay Awasthy (Unit Head) and Afzal Ghour	An FIR was filed against Mr. Awasthy under Sections 420/427/468/471 of	The police has filed the final report, which is in the process of	6958/08	Last Listed on April 30, 2008, wherein an order was passed granting

S. No.	Unit	Case/FIR No.	Names of our officers involved (Clerk)	Brief Particulars	Present Status of the case as per the company's officials	Writ Petition No. as filed in the Allahabad High Court by the affected company officials	Present Status of the writ petitions filed by the affected company officials
				the IPC, Section 17 (2) of the Sugarcane Act and Section 3 (3) of the Sugarcane Control Order, 1966, alleging non-payment of sugarcane dues.	being considered by the CJM.		a stay on arrest till next listing.
7.	Bhaisana	257/08	Jang Bahadur Singh Tomar, Sharan Singh and Ranjit Singh	An FIR has been filed against Mr. Jang Bahadur Tomar, General Manager of the Cane Department at BHSIL, and Sharan Singh and Ranjit Singh, Cane Officers of the company, under Sections 420 and 406 of the IPC, alleging underweighment of sugarcane.	The investigation is in progress.	7225/08	Last heard on October 12, 2009, wherein an order was passed granting an extension of stay on arrest.
8.	Budhana	945 of 09	M/s Raj Singh, Akash, EDP Manager, Pradeep Kumar	An FIR dated 30/12/09 has been filed against M/s Raj Singh, Akash, EDP Manager, Pradeep Kumar Officers of the company, 420/468/471 IPC and 5(1)(2)(3)(6) Sugar Control, etc. alleging Issue of slips in fictitious names, Purchase of sugarcane from out of reserved area. Cash payment.	Arrest of the persons named in the FIR has been stayed by Allahabad High Court		Pending

d) Bajaj Hindustan Sugar & Industries Limited:

i. Tax Proceedings:

Show Cause Notices issued to BHSIL:

1. A show cause notice dated September 9, 2009 issued by Additional Commissioner, Central Excise Division, Faizabad was received by the Rudauli Unit of BHSIL relating to the incorrect credit of CENVAT amounting to Rs. 0.06 million. BHSIL has filed reply by letter dated October 05, 2009 and matter is pending adjudication.
2. A show cause notice issued by Additional Commissioner, Central Excise, Division Allahabad was received by the Kundarki Unit of BHSIL pertains to objections raised in the EA Audit for

the period up to September 2008, relating to the incorrect credit of CENVAT. BHSIL filed a reply dated 21 July 2009 to the show cause notice.

3. A show cause notice dated December 17, 2009 issued by Commissioner, Customs, Central Excise & Service Tax, Allahabad was received by the Kundarki Unit of BHSIL relating to the incorrect credit of CENVAT on combustion of molasses amounting to Rs. 0.85 million. BHSIL filed a reply dated 11 February 2009 to the show cause notice and matter is pending adjudication.
4. A show cause notice dated July 17, 2008 issued by Assistant Commissioner, Central Excise, Gorakhpur was received by the Pratapur Unit of BHSIL relating to the incorrect credit of CENVAT on inputs and capital goods amounting to Rs. 0.14 million. BHSIL filed a reply dated 31 October 2008 to the show cause notice and hearing and order is pending.
5. A show cause notice dated December 1, 2006 was received by the Pratapur Unit of BHSIL relating to the incorrect credit of CENVAT on inputs and capital goods from November 2005 to March 2006 amounting to Rs. 0.49 million. BHSIL filed a reply dated 22 January 2007 to the show cause notice and a personal hearing was held on March 22, 2007. Order is awaited
6. A show cause notice being SCN No. 39/46P/DIV/06 dated December 22, 2006 issued by Commissioner, Central Excise, Gorakhpur was received by the Pratapur Unit of BHSIL for failure of BHSIL to inform the department of the storage loss of molasses and claim of remission of duty on the same amounting to Rs. 0.002 million and claim of remission of duty on the same.

Tax Cases filed and pending against BHSIL:

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
KUNDARKI					
1.	Customs, Excise & Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Commissioner, Customs, Central Excise & Service Tax, Allahabad	This case pertains to show cause notice SCN No. IV (16) Rem/Bajaj/FAZD/144/08/7645 dated 17 December 2008, relating to the application for remission of duty for molasses lost in the storage tanks. BHSIL filed a reply dated 9 February 2009 to the show cause notice. An order was passed (MP/13/2009 – TECH /13 of 2009) on 30 November 2009, wherein it was decided that the remission of duty application was rejected, and the demand is payable.	3.62	Pending hearing final disposal.
PRATAPUR					
1.	Commissioner, Customs, Central Excise & Service Tax, Allahabad	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Additional Commissioner, Central Excise, Allahabad	This case pertains to show cause notice SCN No.48/ Addl. Comm./ dated 25 October 2007, relating to the incorrect credit of CENVAT on inputs and capital goods from April 2006 to December 2006. BHSIL filed a reply dated 14 December 2007 to the show cause notice. An order was passed dated 31 March 2008, wherein it was decided that the demand is payable, along with interest, and a penalty of Rs 200 for every day that the delay continues or @2% every month, and a penalty equal to	2.02	Pending hearing final disposal.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			the demand. BHSIL filed a stay application and appeal to the order in original on 4 July 2008. Pursuant to this an order in appeal was filed wherein order in original was set aside and the matter was referred back to the adjudicating authority where fresh hearing shall be held. Personal hearing held on 24 December 2008.		
2.	Commissioner (Appeals), Customs, Central Excise and Service Tax, Allahabad.	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Additional Commissioner, Central Excise, Allahabad	This case pertains to show cause notice DSNc No 4/Addl.Cmmr.Alld/2008 dated 24 January 2008, relating to payment of central excise duty on VP Sugar. BHSIL filed a reply dated 25 April 2008 to the show cause notice. A personal hearing was scheduled on 21 August 2008, and after requesting adjournment, the same was held on 16 September 2008. An order was passed (No. MP (Dem-04/2008) 5 of 2009) on 24 January 2009, wherein the demand order was confirmed and a penalty of the same value as the demand order was imposed. To this, BHSIL filed an appeal and stay application dated 16 April 2009. A personal hearing was scheduled and BHSIL made a request for adjournment to the same.	3.14	Pending hearing final disposal.
3.	Commissioner (Appeals), Customs, Central Excise and Service Tax, Allahabad.	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Additional Commissioner, Central Excise, Allahabad	This case pertains to show cause notice DSCN No.31/GKP/Div/08 dated 15 July 2008, relating payment of central excise duty towards sugar. BHSIL filed a reply dated 31 October 2008 to the show cause notice. An order was passed (No 10 MP2009) on 5 February 2009, wherein it was decided that the remission application was rejected and the demand of duty was confirmed. A penalty was also levied of the same value as the duty. BHSIL filed a stay application and appealed () against the order on 5 May 2009. A personal hearing was scheduled, which was held on 25 November 2009, during which time BHSIL made additional submissions.	0.05	Pending hearing final disposal.
4.	Customs, Excise & Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Commissioner, Customs, Central Excise & Service Tax,	This case pertains to show cause notice SCN No.47/ADDI/Cmmr/2007/1783, relating to the incorrect credit of CENVAT on inputs and capital goods. BHSIL filed a	3.47	Pending hearing final disposal.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
		Allahabad	reply dated 19 March 2007 to the show cause notice. Personal hearing scheduled for 7 August 2007. An order was passed dated 14 September 2007 disallowing the credit of the amount and imposing a penalty of the same amount as the demand, and also subjecting the demand to interest. An appeal and stay application was filed by the BHSIL dated 16 November 2007. Order in appeal dated 29 January 2008, passed sets aside the original order. The tax department filed an appeal / cross objection to the order in appeal on 17 June 2008.		
5.	Customs, Excise & Service Tax Appellate Tribunal, New Delhi	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Commissioner, Central Customs, Excise & Service Tax, Allahabad	Show cause SCN No.48/ADDI/Cmmr/2007/2304 pertaining to incorrect credit of CENVAT for the period from May 2006 to September 2006. Reply to show cause dated 19 March 2007 was filed. Personal hearing scheduled for 7 August 2007. An order was passed dated 14 September 2007 disallowing the credit of the amount and imposing a penalty of the same amount as the demand, and also subjecting the demand to interest. An appeal and stay application was filed by the BHSIL dated 16 November 2007. Order in appeal dated 29 January 2008, passed sets aside the original order. The tax department filed an appeal / cross objection to the order in appeal on 17 June 2008.	3.01	Pending hearing final disposal.
6.	Office of the Commissioner (Appeals) – Customs, Central Excise & Service Tax – Allahabad.	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Assistant Commissioner, Central Excise	This case pertains to show cause notice SCN No.361-ST/Cenvat/07 dated 3 December 2007, relating to the incorrect credit of CENVAT on inputs and capital goods. BHSIL filed a reply dated 5 January 2008 to the show cause notice. An order was passed dated 28 January 2009, wherein the demand for duty was confirmed and a penalty of the same amount as the duty demanded was ordered. On 12 May 2009 an application for stay and appeal was filed, pursuant to which a personal hearing was held on 25 November 2009, during which BHSIL made additional submissions. Order is awaited.	0.06	Pending hearing final disposal.
7.	Customs, Excise &	Commissioner,	This case pertains to show	0.09	Pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
	Service Tax Appellate Tribunal, Delhi	Customs, Central Excise & Service Tax, Allahabad v. Bajaj Hindustan Sugar & Industries Limited ('BHSIL')	cause notices (SCN No. VI(J) (21) Bagasse/113/03/4932-34) dated 12 December 2003 and 16 June 2004, relating to the clearance of bagasse. An order in appeal was passed wherein it was held that bagasses are not a final product and hence provisions of the central excise act are not applicable, and both appeals were accordingly allowed. To this order, the Commissioner, Central excise, Allahabad filed an appeal (E/Appeal No 2639 of 2008 and E/Appeal No. 2640 of 2008) in CESTAT. Cross objections dated 6 March 2009 have also been filed.		hearing final disposal.
8.	Customs, Excise & Service Tax Appellate Tribunal, Delhi	Commissioner, Customs, Central Excise & Service Tax, Allahabad v. Bajaj Hindustan Sugar & Industries Limited ('BHSIL')	This case pertains to the incorrect credit of CENVAT on inputs and capital goods from. An order was passed on 16 June 2005 wherein a penalty of Rs 1000 was passed. An order was passed on 15 February 2005 wherein in addition to a penalty of Rs 1000, MODVAT credit of Rs 222,375 was allowed. Order in appeal No 17/CE/ALLD 2006 dated 25 February 2006, wherein the appeal was disallowed. An appeal to CESTAT was filed by the tax department on March 4, 2008.	0.22	Pending hearing final disposal.
9.	Customs, Excise & Service Tax Appellate Tribunal, Delhi	Commissioner, Central Excise v. Bajaj Hindustan Sugar & Industries Limited ('BHSIL')	This case pertains to duty levied on Brawn sugar Department filed appeal before Commissioner, Central Excise (Appeals) Allahabad. Commissioner, Central Excise (Appeals) dismissed the appeal of the department. The department has challenged the order in appeal before CESTAT.	0.02	Pending hearing

Trade Tax Cases filed and pending against BHSIL:

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
1.	High Court of Allahabad	Trade Tax Department ('Appellant') v. Bajaj Hindustan Sugar & Industries Limited ('BHSIL')	The case pertains to the tax and penalty imposed on the BHSIL for purchasing iron, steel and store materials from out side the state of Uttar Pradesh against 'C' forms for the assessment years 1990-91 and 1996-97. BHSIL preferred an appeal before Joint	0.48	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			Commissioner (Appeals). Joint Commissioner decided the case in favour of BHSIL. The Appellant challenged the order by an appeal before the Trade Tax Appellate Tribunal being appeal Nos. 12/2003 & 13/2003. The Tribunal rejected both the appeals vide order dated May 28, 2004 The Department has informed BHSIL that the order of the Tribunal is challenged before High Court of Allahabad but BHSIL has still not received any notice or written communication regarding the same.		
2.	High Court of Allahabad Commercial Tax Revision No. 577/2009	Trade Tax Department ('Appellant') v. Bajaj Hindustan Sugar & Industries Limited ('BHSIL')	The case pertains to the tax and penalty imposed by the Deputy Commissioner vide order dated September 17, 2007 on the purchases of diesel oil worth Rs 6,225,555.71/- against form 3-B on the ground that the diesel was not used for manufacture of sugar hence the form 3B was illegally used during the assessment year 2005-2006. BHSIL preferred an appeal before Joint Commissioner (Appeals). Joint Commissioner vide order dated August 8, 2008 decided the case in favour of BHSIL. The Appellant challenged the order by an appeal before the Trade Tax Appellate Tribunal being appeal Nos. 121/2008. The Tribunal disallowed the appeal vide order dated January 7, 2009 The Department has challenged the order of the Tribunal before High Court of Allahabad by filing this commercial tax revision dated July 18, 2009 under section 58 of Value Added Tax.	0.99	Matter is pending
3.	High Court of Allahabad Commercial Tax Revision No. 578/2009	Trade Tax Department ('Appellant') v. Bajaj Hindustan Sugar & Industries Limited ('BHSIL')	The case pertains to the tax and penalty imposed by the Deputy Commissioner vide order dated September 17, 2007 on the purchases of diesel oil worth Rs 11,114,949/- against form 3-B on the ground that the diesel was not used for manufacture of sugar hence the form 3B was illegally used during the assessment year 2006-2007. BHSIL preferred an appeal before Joint Commissioner (Appeals). Joint Commissioner vide order dated August 8, 2008 decided the case in favour of BHSIL. The Appellant challenged the order by an appeal before the Trade Tax Appellate Tribunal being appeal Nos. 122/2008. The Tribunal disallowed the appeal vide order dated January 7, 2009 The Department has challenged the order of the Tribunal before High Court of Allahabad by filing this commercial tax revision dated July 18, 2009 under section 58 of Value Added Tax.	1.73	Matter is pending
4.	Additional Commissioner Grade II (Appeals), Gorakhpur Appeal No. 667/668/669 of 2009	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Deputy Commissioner, Deoria	The case pertains to the penalty imposed under section 54(2) Trade Tax Act for not paying entry tax on sale of non-levy sugar within the state of Uttar Pradesh from Unit Covered under "New Sugar Industry Promotion Policy 2004" for the period from January 2009 to March 2009. The Deputy Commissioner (Assessment), Deoria imposed penalties of Rs. 1,206,315/-, Rs. 3,694,521/- and Rs. 629,379/- for the months of January	5.53	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in Millions approx.)	Current Status
			2009, February 2009 and March 2009 respectively on BHSIL. BHSIL preferred the appeal before Additional Commissioner (Appeals), Gorakhpur. Additional Commissioner (Appeals) passed a common order dated November 12, 2009 dropping the penalties and remanded the case to the Assessing authority for deciding afresh.		
5.	Additional Commissioner Grade II (Appeals), Gorakhpur Appeal No. 670/2009	Bajaj Hindustan Sugar & Industries Limited ('BHSIL') v. Deputy Commissioner, Deoria	The case pertains to the penalty imposed under section 54(2) Trade Tax Act for not paying entry tax on sale of non-levy sugar within the state of Uttar Pradesh from Unit Covered under "New Sugar Industry Promotion Policy 2004" during the month of April 2009. The Deputy Commissioner (Assessment), Deoria imposed penalty on BHSIL. BHSIL preferred the appeal before Additional Commissioner (Appeals), Gorakhpur. Additional Commissioner (Appeals) vide order dated November 12, 2009 has dropped the penalty and remanded the case to the Assessing authority for deciding the case afresh.	14.45	Matter is pending

ii. Civil Proceedings:

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs. in millions)	Current Status
KUNDARKHI					
1.	Consumer Forum, Gonda Case No. 44/2008	Ajay Kumar Mishra (Petitioner) v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The Petitioner has filed the present case claiming damages for bad quality cane seeds purchased from BHSIL and loss caused to the Petitioner incidental thereto	0.1	Pending hearing
2.	Nayab Tehsildar, Gonda	Naseebdar and Others ('Applicants') v. Bhawani Prasad	The Applicants have preferred the present Application filed on July 19, 2009 for declaration of their share in the land. The Applicants have prayed for setting aside the impugned mutation order dated September 4, 1985	0.4	Matter Pending
3.	Civil Judge Junior Division, V Gonda Reg. Suit 10/06	Patiraji and Ors ('Plaintiff') v. Madhavram and Ramjas	BHSIL has purchased the land admeasuring to 1.14 acres situated at Village Kajedever, Gonda. The present case has been filed by the Plaintiff for injunction and interference with the	NA	Matter pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			land in possession of the Respondent and repossession of the same.		
4.	Consumer Forum Case No. 53/2008	Rajendra Prasad ('Petitioner') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The Petitioner has filed the present case on April 08, 2008 claiming damages for bad quality cane seeds purchased from BHSIL and loss caused to the Petitioner incidental thereto.	0.62	Matter Pending
5.	Civil Judge Junior Division, Gonda Reg Suit 1267/2006	Jitendra Narayan & Ors. ('Complainants') v. Anil Ranka & Pratapur Sugar Industries Limited ('PSIL')	The Petitioner has filed the present case dated 28 August, 2006 claiming ownership and demanding repossession of the land admeasuring 1 acre purchased by the PSIL through power of attorney holders having the sale deed dated May 15, 2006 being 4781 book no. 1 vol. 3951 pages 141 to 180.	2.22	Matter is pending
6.	Civil Judge Junior Division, Gonda Reg Suit 1283/2006	Ram Prasad & Ors. ('Complainants') v. Manmeet Kaur & Pratapur Sugar Industries Limited ('PSIL')	The Petitioner has filed the present case dated 30 August, 2006 claiming ownership and demanding repossession of the land purchased by the PSIL through power of attorney holders having the sale deed dated April 27, 2006 being 4259 book 1 vol. 3939 pages 301 to 326.	5.58	Matter is pending
7.	Tehsildar, Gonda Case No. 176/2008	State v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The State has filed a case dated February 06, 2008 under section 122b of the UP Z.A.L.R Act for illegal possession and occupation of the Gram Sabha land and issued a notice for the same under section 115C to BHSIL.	2.1	Matter is pending
8.	Tehsildar, Gonda Case No. 177/2008	State v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The State has filed a case dated February 29, 2008 under section 122b of the UP Z.A.L.R Act for illegal possession and occupation of	0.46	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			the Gram Sabha land which is registered as a Jadia (waste) land and issued a notice for the same under section 115C to BHSIL.		
9.	Tehsildar, Gonda Case No. 191/2008	State v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The State has filed a case dated February 18, 2008 under section 122b of the UP Z.A.L.R Act for illegal possession and occupation of the Gram Sabha land which is registered as a playground and issued a notice for the same under section 115C to BHSIL.	3.43	Matter is pending
10.	S.D.O. Court, Gonda Case No. 1859/06	Forest Department & Ors. v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The Forest Department has filed the petition dated December 23, 2006 against BHSIL alleging their possession on the forest land and seeking permanent injunction	1.5	Matter is pending
RUDAULI					
1.	Commissioner, Basti Appeal No. 148/2008	Bajaj Hindustan Sugar Industries Limited ('BHSIL') v. Cane Inspector and Assistant Cane Commissioner, Gorakhpur	The present appeal has been filed by BHSIL against the forfeiture of security deposit of Rs. 35,000 by the District Magistrate, Basti against the impugned order 1021-23/GANI of July 11, 2008 directing forfeiture for violation of UP Sugarcane (Regulation of Supply & Purchase) Rules, 1954.	0.35	Pending hearing
2.	Additional Chief Judicial Magistrate, Basti MACP No. 117/2008	Janki Devi & Ors. ('Complainants') v. Harikesh Kumar, Driver & Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The Distillery Bus met with an accident on August 04, 2008 at 7.30 am. The Complainants have filed the case claiming compensation under section 166 of the Motor Vehicle Act 1988 for death due to accident of Mr. Ram Vriksh.	1.83	Matter is pending
3.	Additional District Judge, Basti	Ram Huzur & Ors.	The Distillery Bus met with an accident	2.11	Matter is

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
	MACP No. 144/2008	(‘Complainants’) v. Harikesh Kumar, Driver & Bajaj Hindustan Sugar Industries Limited (‘BHSIL’)	on August 04, 2008 at 7.30 am. The Complainants have filed the case claiming compensation under section 166 of the Motor Vehicle Act 1988 for death due to accident of Mr. Mithilesh Kumar.		pending
4.	District Magistrate, Basti	Nita Kumar & Ors. (‘Complainants’) v. Bajaj Hindustan Sugar Industries Limited (‘BHSIL’)	The Complainants have filed the application for compensation under the Workmen’s Compensation Act for the death of Mr. Ytendra Kumar (‘victim’) due to electric burns. BHSIL has filed its reply stating that the victim was on a contract and was not directly employed by BHSIL. BHSIL also stated that the deceased died by firewood burns.	0.65	Matter is pending
PRATAPPUR					
1.	Labour Court, Gorakhpur Case No. 267/98	Umesh Kumar Dubey (‘Complainant’) v. Pratapur Sugar Industries Limited (‘PSIL’)	The Complainant filed the present complaint for non-employment for the sugar season 1997-98. Reference has been made to the Labour Court by Assistant Labour Commissioner. Due to vacancy on the post of Presiding Officer, the matter was adjourned.	0.32	Pending hearing
2.	Labour Court, Gorakhpur Case No 268/98	Rambilash Ojha (‘Complainant’) v. Pratapur Sugar Industries Limited (‘PSIL’)	The Complainant was employed as Chowkidar in 1991 remunerated by vouchers. BHSIL has challenged the regular employment of the Complainant on the rolls of the company. The Complainant has filed the present complaint for non-employment for the sugar season 1997-98. Reference has been made to the	0.3	The matter is pending hearing.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			Labour Court by Assistant Labour Commissioner.		
			Due to vacancy on the post of Presiding Officer, the matter was adjourned.		
3.	Labour Court, Gorakhpur Case No. 139/99	Kapil ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The Complainant was employed as contract labourer, who lost employment due to discontinuance of service of the contractor. BHSIL has challenged the regular employment of the Complainant on the rolls of the company. The Complainant has filed the present complaint claiming employment in the wage board. Reference has been made to the Labour Court by Assistant Labour Commissioner. Due to vacancy on the post of Presiding Officer, the matter was adjourned.	0.2	The matter is pending hearing.
4.	Labour Court, Gorakhpur Case No.140/99	Nifikir ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	BHSIL reached a settlement on January 25, 1999 with the contractor for resuming two labourers on the rolls of the company out the thirty four labourers provided by the contractor. The Complainant was employed as contract labourer, who lost employment due to discontinuance of service pursuant to the impugned settlement. Reference has been made to the Labour Court by Assistant Labour Commissioner.	0.2	The matter is pending hearing.
			Due to vacancy on the post of Presiding Officer, the matter was adjourned.		
5.	Labour Court, Lucknow	UPCMM Sangh	The case has been	0.25	The

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
	Case No.188/2005	v. Pratapur Sugar Industries Limited ('PSIL')	made to the Labour Court through the UPCMM for non-employment of women workers. Reference has been made to the Labour Court by Conciliation Officer on September 29, 2009.		matter is pending.
6.	Labour Court, Lucknow Case No.189/2005	UPCMM Sangh v. Pratapur Sugar Industries Limited ('PSIL')	The case has been made to the Labour Court through the UPCMM for non-employment of 10 (ten) women clerks for the season 1997-98 to 1999-2000. Reference has been made to the Labour Court by Conciliation Officer on September 29, 2009.	0.36	The matter is pending.
7.	Labour Court, Gorakhpur Case No. 200/2003	Taj Mohammed ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	Reference has been made to the Labour Court by Assistant Labour Commissioner on August 14, 2003. The issue before the court is whether the termination of the Complainant on December 2, 2002 was legal. Due to vacancy on the post of Presiding Officer, the matter was adjourned.	0.34	The matter is pending.
8.	Labour Court, Gorakhpur Case No. 199/2003	Purshottam ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	Reference has been made to the Labour Court by Assistant Labour Commissioner on August 14, 2003. The issue before the court is whether the termination of the Complainant on December 2, 2002 was legal. Due to vacancy on the post of Presiding Officer, the matter was adjourned.	0.38	The matter is pending.
9.	Labour Court, Gorakhpur Case No.201/2003	Surendra Yadav ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	Reference has been made to the Labour Court by Assistant Labour Commissioner on August 14, 2003. The issue before the court is whether the	0.32	The matter is pending.

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			termination of the Complainant on December 2, 2002 was legal. Due to vacancy on the post of Presiding Officer, the matter was adjourned.		
10.	Labour Court, Gorakhpur Case No.203/2003	Sesh Nath ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	Reference has been made to the Labour Court by Assistant Labour Commissioner on August 14, 2003. The issue before the court is whether the termination of the Complainant on December 2, 2002 was legal. The complainant has prayed for employment in the Factory wage Board. Due to vacancy on the post of Presiding Officer, the matter was adjourned.	0.28	The matter is pending hearing.
11.	Labour Court, Gorakhpur Misc. Case No 69/1998	Rambilash Ojha ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The complainant was employed on payment by voucher. The Complainant has filed the present complaint for insufficient payment of Rs. 400 per month and termination thereafter. The Complainant has claimed for realization of differences of wage board salary structure.	0.12	Matter pending
12.	Labour Court, Gorakhpur Misc. Case No. 68/1998	Manoj Kumar Mishra ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The complainant was employed on payment by voucher. The Complainant filed the case for insufficient payment of Rs. 600 per month and termination thereafter. The Complainant has claimed for realization of differences of wage board salary structure.	0.17	Matter pending
13.	Labour Court, Gorakhpur Misc. Case No. 70/1998	Umesh Kumar Dubey ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The complainant was employed on payment by voucher. The Complainant filed the case for insufficient payment	0.13	Matter pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			of Rs. 400 per month and termination in 1997-98. The Complainant has claimed for realization of differences of wage board salary structure.		
14.	Labour Court, Gorakhpur Case No. 42/1990	Brij Bhooshan Singh ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	Services of the Complainant were terminated alleging misconduct on his part. Domestic Inquiry was duly conducted.	0.3	Matter pending
			The complainant was terminated from the rolls of the company in 1988 for switching off the turbine instigating a strike among their workmen. The Complainant has raised a dispute against the termination and claiming for re-instatement.		
15.	Judicial Magistrate First Class, Deoria. MCA No-200/07	Omprakash ('Complainant') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL') & Others	By the order dated December 18, 2008, the Judicial Magistrate of First Class ordered payment of the compensation by BHSIL. By the stay order of the High Court of Allahabad, the said impugned order of Judicial Magistrate of First Class was set aside and the matter was referred back to the Forum.	0.54	Matter pending.
16.	District Judge, Devaria Case No.109/08	Shobha Devi ('Complainant') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The present case has been filed due to death caused by the vehicle of the company and enhancement of the compensation of Rs. 3,00,000 ordered by the MACT dated February 21, 2008.	0.54	Matter Pending
17.	Labour Court, Gorakhpur Adj. Case No. 269/1998	Manoj Kumar Mishra ('Complainant') v. Pratapur Sugar Industries	The present case pertains to the issue whether the Complainant is a 'workman'.	0.3	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
18.	Industrial Tribunal-VI, Gorakhpur Adj. Case No. 202/2003	Limited ('PSIL') Diwakar Mishra ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The Complainant was employed as a weighment clerk worker for the season at PSIL. The Complainant has filed the case for non-employment and pending dues.	0.36	Matter is pending
19.	Industrial Tribunal-VI, Gorakhpur Adj. Case No. 14/2003	UPCMMS Sambandh BMS v. Pratapur Sugar Industries Limited ('PSIL')	The Complaint was filed on behalf of 159 workers claiming bonus for the year 1999-2000, 2000-01, and 2001-02. Issue framed by Deputy Labour Commissioner, Devaria whether the workers are entitled for bonus during the said period.	0.7	Matter is pending
20.	Deputy Labour Commissioner, Gorakhpur R.D. No. 05/2006	K.K. Tiwari ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The Complainant claims bonus for the period January 1, 1996 to June 30, 2001. Issue framed by Deputy Labour Commissioner, Devaria whether the Complainant is entitled for bonus during the said period.	0.006	Matter is pending
21.	Deputy Labour Commissioner, Gorakhpur R.D. No. 58/2001	Lal Babu Rai ('Complainant') v. Pratapur Sugar Industries Limited ('PSIL')	The Complainant has filed the complaint for recovery of provident fund dues.	0.015	Matter is pending
UTTRAULA					
1.	Civil Judge Junior Division Case No. 177/2007	Arbunisha ('Complainant') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	Civil case filed by Arunisha on July 13, 2007 before the CJJD against Shiv Kumar Tomar, Hindusthan Sugar Mill for misrepresentation and fraud committed for purchase of land aggregating to approx 3 acres and wrongfully executing sale deed.	1.4	Pending hearing
2.	Civil Judge Junior Division Case No. 35/2007	Kumari Nasiba ('Complainant') v. Bajaj Hindustan Sugar	The Case pertains to Breach of agreement.	0.67	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
		Industries Limited ('BHSIL')	The Complainant has filed the Case on November 25, 2006 for recovery of Scorpio Jeep as was promised to be given by BHSIL as a consideration for sale of land admeasuring to 222metres/59dec situated at Village Itaimaida, Balrampur, Uttraula		
3.	Civil Judge Junior Division Case No. 166/2007	Bajaj Hindustan Sugar Industries Limited ('BHSIL') v. Kumari Nasiba ('Respondent')	BHSIL has filed suit against Kumari Nasiba for cancellation of transfer of land bearing which was executed by the guardian of the Respondent in favour of Kumari Nasiba. The said land had been purchased by BHSIL from the guardian. BHSIL has claimed that the guardian had authority and title to sell the said land to BHSIL	NA	Matter is pending
4.	Civil Judge Junior Division Case No. 53/2007	Kismat Ali v. ('Complainant') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	Kismat Ali filed a civil suit against the company and has prayed for interim injunction for easement right from the land of BHSIL bearing due to the land of the Complainant becoming land locked in order to arrange irrigation of the land of the Complainant.	NA	Matter is pending
5.	Civil Judge Junior Division Case No. 489/2008	Dwarika Prasad ('Plaintiff') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	The plaintiff filed a case of October 6, 2008 and demanded for cancellation of sale deed executed in favour of BHSIL. The Plaintiff has not appeared before the Court.	2.70	Matter is pending
6.	Civil Judge Junior Division Case No. 50/2009	Ashish Srivastava ('Complainant') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	Misc. application was filed by Ashish Srivastav Advocate claiming that company by doing forgery filled caveat by giving reference of case Kumari	NA	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			nasiba Vs Haridutt Singh u/s340 Criminal Procedure Code.		
7.	Commissioner, Gonda Case No. 8078/09	Bajaj Hindustan Sugar Industries Limited ('BHSIL') v. Union of India	<p>District Magistrate Balrampur issued letter dated February 6, 2009 to deposit royalty amount and penalty of Rs 273000/- against soil used for land filling. This work was done without depositing royalty amount in government office.</p> <p>Tehsildar issued Recovery Certificate to recover above mentioned amount ,</p> <p>BHSIL challenged the order of Tehsildar in Commissioners Court. Court admitted the application dated July 15, 2009.</p> <p>The Court stayed demand of the District Magistrate, Balrampur by the order dated July 16, 2007.</p>	2.73	Matter is pending
8.	Civil Judge Senior Division Case No. 63/2008	Mangre & Ors. ('Plaintiffs') v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	<p>The Plaintiffs filed a petition before District Magistrate; Balrampur dated June 19, 2008 prayed for the cancellation of the lease granted to BHSIL for exchange and be allotted to them.</p> <p>The District Magistrate cancelled the lease vide order.</p> <p>BHSIL filed an appeal dated December 05, 2008 against the order of District Magistrate</p> <p>BHSIL also applied for a stay application dated December 25, 2008.</p> <p>Additional</p>	1.0	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			Commissioner granted stay of execution dated December 30, 2008.		
BASANTPUR					
1.	AIG Stamps, Barabanki Case No. 110 (2008-09)	State v. Bajaj Hindustan Sugar Industries Limited ('BHSIL')	Assistant Inspector General of Stamps, Barabanki issued a notice dated March 21, 2008 against deficiency in payment of stamp duty. BHSIL disputed the matter and gave a bank guarantee on May 14, 2008.	0.02	Matter is pending
2.	Collector, Barabanki Case No. 294/2009	State v. Pratapur Sugar Industries Limited ('PSIL')	The case pertains to deficiency in stamp duty. BHSIL filed an appeal being appeal No 479/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the order of Assistant Commissioner of Stamp dated December 29, 2007 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy. CCRA vide order dated December 8, 2008 has remanded the case back to Collector for fresh hearing and adjudication.	0.5	Matter is pending
3.	Collector, Barabanki Case No. 295/2009	State v. Pratapur Sugar Industries Limited ('PSIL')	The case pertains to deficiency in stamp duty. BHSIL filed an appeal dated July 31, 2008 being appeal No 166/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the order of Assistant Commissioner of Stamp dated June 12, 2008 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy.	0.5	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			CCRA vide order dated December 8, 2008 has remanded the case back to Collector for fresh hearing and adjudication.		
4.	Collector, Barabanki Case No. 296/2009	State v. Pratapur Sugar Industries Limited ('PSIL')	The case pertains to deficiency in stamp duty. BHSIL filed an appeal being appeal No 478/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the order of Assistant Commissioner of Stamp dated January 31, 2008 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy.	0.34	Matter is pending
			CCRA vide order dated December 8, 2008 has remanded the case back to Collector for fresh hearing and adjudication.		
5.	Collector, Barabanki Case No. 297/2009	State v. Pratapur Sugar Industries Limited ('PSIL')	The case pertains to deficiency in stamp duty. BHSIL filed an appeal dated May 21, 2008 being appeal No 577/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the order of Assistant Commissioner of Stamp dated April 30, 2008 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy.	0.39	Matter is pending
			CCRA vide order dated December 8, 2008 has remanded the case back to Collector for fresh hearing and adjudication.		
6.	Collector, Barabanki	State v. Pratapur Sugar Industries	The case pertains to deficiency in stamp	0.2	Matter is

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
	Case No. 298/2009	Limited ('PSIL')	duty. BHSIL filed an appeal dated July 31, 2008 being appeal No 165/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the order of Assistant Commissioner of Stamp dated June 12, 2008 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy. CCRA vide order dated December 8, 2008 has remanded the case back to Collector for fresh hearing and adjudication.		pending
7.	Collector, Barabanki Case No. 234/2009	State v. Pratapur Sugar Industries Limited ('PSIL')	The case pertains to deficiency in stamp duty. BHSIL filed an appeal dated February 18, 2008 being appeal No 291/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the order of Assistant Commissioner of Stamp dated December 29, 2007 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy. CCRA vide order dated September 24, 2008 has remanded the case back to Collector for fresh hearing and adjudication.	0.77	Matter is pending
8.	Collector, Barabanki Case No. 234/2009	State v. Pratapur Sugar Industries Limited ('PSIL')	The case pertains to deficiency in stamp duty. BHSIL filed an appeal dated February 18, 2008 being appeal No 292/08 before Chief Controlling Revenue Authority (CCRA) Faizabad against the	1.84	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			order of Assistant Commissioner of Stamp dated December 29, 2007 declaring a deficiency in stamp duty paid by BHSIL for the land purchased by BHSIL under industrial policy.		
			CCRA vide order dated September 24, 2008 has remanded the case back to Collector for fresh hearing and adjudication.		
HIGH COURT CASES					
1.	High Court Allahabad WP NO.15085/84	Pratapur Sugar Industries Limited ('PSIL') v. Labour Court, Gorakhpur and Raj Kumar Shukla	This appeal is preferred against the order dated June 07, 1984 of the Labour Court, Gorakhpur wherein the services of Mr. Raj Kumar Shukla were terminated as he failed to join his duties on the required date.	0.15	Matter is pending
2.	High Court Allahabad WP NO. 11015/85	Bipin Bihari Dubey & Hari Bansh Dixit ('Complainants') v. Labour Court, Gorakhpur & Pratapur Sugar Industries Limited ('PSIL')	This appeal is preferred against the award of the Labour Court dated February 27, 1985 in relation to the illegal termination of services of the Complainants.	0.16	Matter is pending
3.	High Court Allahabad WP NO. 14725/85	Pratapur Sugar Industries Limited ('PSIL') V. Labour Court, Gorakhpur, State Of Uttar Pradesh And Madan Mohan Mishra	This appeal is preferred by the PSIL against the order dated February 27, 1985 of the Labour Court wherein a worker was reinstated and challenges it to be illegal.	0.17	Matter is pending
4.	High Court Allahabad WP NO. 8550/94	Sudhaker Sarn Verma ('Complainant') Vs Labour Court & Pratapur Sugar Industries Limited ('PSIL')	The appeal is preferred against the validity and correctness of award by Labour Court dated April 09, 1993.	0.23	Matter is pending
5.	High Court Allahabad W.P.NO 27269/01	Lal Babu Rai ('Complainant') Vs Deputy Labour Commissioner Gorakhpur &	Complainant has filed Writ against Labour Court order seeking directions from the High Court against Labour Court	0.11	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
		Pratapur Sugar Industries Limited ('PSIL')	to consider his Review Petition dated 22.6.2001		
6.	High Court Allahabad WP.No.9989/99	Ramesh Kumar ('Petitioner') v. Labour Court and Pratapur Sugar Industries Limited ('PSIL')	The Appeal is preferred against the order of Labour Court dated November 27, 1998 declaring the non employment of the Petitioner by the company as unjustified.	0.26	Matter is pending
7.	High Court Allahabad WP No20399/99	Pratapur Sugar Industries Limited ('PSIL') v. Sanjeet Kumar Dubey	PSIL filed a writ against the Regional Department Commissioner's order dated February 16, 1999 directing PSIL to employ the self proclaimed adopted son of a deceased employee.	0.4	Matter is pending
8.	High Court Allahabad W.P. 7322/89	Pratapur Sugar Industries Limited ('PSIL') Vs Labour Court Gorakhpur and Ramayn Ahir & Swami Nath yadav	The employee retired and the Deputy Labour Commissioner upheld against the retirement of the employees.	0.2	Matter is pending
9.	High Court Allahabad, Lucknow Bench Writ Petition No.7868 (MB) of 2006	Ram Milan ('Complainant') v. State of U.P. & others	The Complainant is an employee of the Bajaj Hindustan Sugar Industries Limited ('BHSIL'). The case pertains to a plot of land registered as Pond (Talab). The writ petition dated December 12, 2006 is filed by BHSIL against order of the Senior Divisional Magistrate dated April 27, 2006 upholding the order dated April 27, 2006 passed by the Up Ziladhikar registering the land having Gata No. 84/0.158 and 290/0.275 situated at village Matehna, Pargana Mohammadpur Tehsil Fatehpur, Baranbanki as talab (Pond) by ejectment of the name of recorded tenure holders viz. Ram Milan and Sushil	NA	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
10.	High Court Allahabad, Lucknow Bench Writ Petition No.7800 (MB) of 2008	Munish Mishra ('Complainant') v. State of U.P & Ors.	Kumar. The Complainant is an employee of the Bajaj Hindustan Sugar Industries Limited ('BHSIL'). The case pertains to stamp duty on a piece of land purchased by BHSIL on January 19,2005 under Ka.ni.5-305-11-2005-500(136)2003. Assistant Commissioner of Stamps, Barabanki vide his order dated December 29, 2007 disallowed remission of stamp duty. Writ filed on August 19, 2008 against Recovery Certificate issued by Tehsildar, Varanasi in regard to the order of Assistant Commissioner. High Court has granted stay on the recovery. The matter has been remanded by Chief Controlling Revenue Authority to Collector, Barabanki to decide the same afresh.	NA	Matter is pending
11.	High Court Allahabad, Lucknow Bench Writ Petition No.10563 (MB) of 2008	Rajesh Kr. Jha ('Complainant') v. State of U.P & Ors.	The Complainant is an employee of the Bajaj Hindustan Sugar Industries Limited ('BHSIL'). The case pertains to stamp duty on a piece of land purchased by BHSIL. Assistant Commissioner of Stamps, Barabanki vide his orders dated March 31, 2008, April 30, 2008, June 12, 2008 respectively disallowed remission of stamp duty. Writ filed on November 20, 2008 against Recovery Certificate issued by Tehsildar, Varanasi in regard to the order of Assistant Commissioner. High Court has granted stay on the recovery. The matter has been	NA	Matter is pending

Sr. No.	Forum	Filed by/ against	Brief Particulars	Quantum (Rs in millions)	Current Status
			remanded by Chief Controlling Revenue Authority to Collector, Barabanki to decide the same afresh.		

iii. Criminal Proceedings:

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
Criminal Cases						
1.	High Court of Judicature, Allahabad Criminal Misc Application No. 22 of 2009	RN Sharma ('Accused') v. State of Uttar Pradesh		<p>An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008.</p> <p>The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria.</p> <p>The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP. A stay on arrest has</p>	NA	Pending hearing.

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
				been ordered by the High Court on February 5, 2009.		
2.	High Court of Judicature, Allahabad Criminal Misc Application No. 1129 of 2009	RN Sharma ('Accused') v. State of Uttar Pradesh		An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008. The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria. The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP. A stay on arrest has been ordered by the High Court on February 5, 2009.	NA	Pending hearing.
3.	High Court of Judicature, Allahabad Criminal Misc Application No. 1130 of 2009	RN Sharma ('Accused') v. State of Uttar Pradesh		An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and	NA	Pending hearing.

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
				<p>Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008.</p> <p>The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria.</p> <p>The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP.</p> <p>A stay on arrest has been ordered by the High Court on February 5, 2009.</p>		
4.	High Court of Judicature, Allahabad Criminal Misc Application No. 1131 of 2009	RN Sharma ('Accused') v. State of Uttar Pradesh		<p>An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008.</p> <p>The present</p>	NA	Pending hearing.

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
				<p>application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria.</p> <p>The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP. A stay on arrest has been ordered by the High Court on February 5, 2009.</p>		
5.	High Court of Judicature, Allahabad Criminal Misc Application No. 2673 of 2009	RN Sharma ('Accused') v. State of Uttar Pradesh		<p>An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008.</p> <p>The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed</p>	NA	Pending hearing.

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
				under sections 3/7 of the Essential Commodities Act, Deoria. The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP. A stay on arrest has been ordered by the High Court on February 5, 2009.		
6.	High Court of Judicature, Allahabad Criminal Misc Application No. 2674 of 2009	RN Sharma ('Accused') State of Uttar Pradesh	v.	An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008. The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria. The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the	NA	Pending hearing.

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
				<p>Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP.</p> <p>A stay on arrest has been ordered by the High Court on February 5, 2009.</p>		
7.	High Court of Judicature, Allahabad	RN Sharma v. State of UP		<p>An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008.</p> <p>The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria.</p> <p>The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP.</p> <p>A stay on arrest has</p>	NA	Pending hearing.
	Criminal Misc Application No. 2676 of 2009					

Sr. No.	Forum	Filed against	by/	Brief Particulars	Quantum (Rs)	Current Status
				been ordered by the High Court on February 5, 2009.		
8.	High Court of Judicature, Allahabad Criminal Misc Application No. 2678 of 2009	RN Sharma State of UP	v.	<p>An FIR had been filed on January 10, 2008 against the Accused (Occupier under the UP Sugarcane (Regulation of Supply and Purchase) Act, 1953) for the commission of offence under Section 3/7 of the Essential Commodities Act. A chargesheet was filed on February 24, 2008.</p> <p>The present application has been preferred by the Accused against the impugned order dated September 18, 2008 passed by the Additional Chief Judicial Magistrate, Deoria in case no. 2630 of 2008 for offence committed under sections 3/7 of the Essential Commodities Act, Deoria.</p> <p>The present case has been instituted for failure of Bajaj Hindustan Sugar Industries Limited to start and establish the Shahpur cane purchase centre under the UP Vaccum Pan Sugar Factories Licensing Order 1969 pursuant to the Order dated October 27, 2007 of the Cane Commissioner, UP.</p> <p>A stay on arrest has been ordered by the High Court on February 5, 2009.</p>	NA	Pending hearing.

iv. Criminal Cases filed against the officials of BHSIL

S. No.	Unit	Case/FIR No.	Names of our officers involved	Brief Particulars	Present Status of the case as per the company's officials	Writ Petition No. as filed in the Allahabad High Court by the affected company officials	Present Status of the writ petitions filed by the affected company officials
1.	Pratappur	8, 9, 14, 15, 16, 17, 18, 19/08	R.N. Sharma (Unit Head)	Eight FIRs had been filed against Mr. R.N. Sharma under various sections of the IPC and the Essential Commodities Act, 1955, for, among other things, non-opening of sugarcane centers, ignoring government orders and underweighment of sugarcane.		2180, 2181, 2185, 2186, 1455, 2187, 2188, 5020/08	The company officials have informed us that chargesheets have been filed against Mr. Sharma in 7 cases and the writ petitions relating to these cases have been disposed off [excluding W.P. no. 5020/08]. We are awaiting the latest orders with respect to all the aforesaid matters to verify the same. W.P. No. 5020/08 is still pending.
2.	Utraula	89/08	Prem Chand Bansal (Unit Head), R.S. Chhabra and Shivkumar Tomar	An FIR was filed by a lady namely, Arbunisha, alleging that her land was fraudulently purchased by the company by way of a sale deed executed through false promises.	Final report was filed on November 5, 2007. Reinvestigation was ordered and it is pending.		
3.	Uttarola	18 of 2010	M/s Alok Srivastav, Abhijit Singh, Abhay Pratap Singh	An FIR dated January 12, 2010 had been filed against M/s Alok Srivastav, Abhijit Singh, Abhay Pratap Singh under sections 420/120B of the IPC and 3/7 the Essential Commodities Act, 1955, On the complaint of the Secretary, Sugarcane Growers Society alleging	Arrest of the persons named in the FIR has been stayed by Allahabad High Court		Pending

S. No.	Unit	Case/FIR No.	Names of our officers involved	Brief Particulars	Present Status of the case as per the company's officials	Writ Petition No. as filed in the Allahabad High Court by the affected company officials	Present Status of the writ petitions filed by the affected company officials
				(1) Underweighment, (2) Illegal issue of Parchies and thus, purchase of sugarcane from the areas of other sugar mills.			

c) Bajaj Capital Ventures Private Limited

i. Tax Proceedings:

Sr No.	Forum	Parties	Brief Particulars	Quantum (Rs. in millions)	Status
1.	Deputy Commissioner, Income Tax, Circle-3, Mumbai	Bajaj Capital Ventures Private Ltd	The Deputy Commissioner, Income Tax issued a Notice dated August 13, 2009 under section 143(2) of the Income Tax Act, 1961 for the assessment year 2008-09 for certain points in connection with the return of income. The same was confirmed and upheld vide order dated December 18, 2008 by the Deputy commissioner.	NA	Matter is pending

d) BAJAJ ECO-TEC PRODUCTS LIMITED

i. Tax Proceedings:

Sr No.	Forum	Parties	Brief Particulars	Quantum (Rs. in millions)	Status
1.	Joint Commissioner, Service Tax, Mumbai	Bajaj Products ('company')	Eco-Tec Limited A show cause cum demand notice was issued dated January 02, 2008 by the Directorate General of Central Excise Intelligence to the company under the category of Banking and other financial service against External Commercial Borrowing (ECB) taken from ICICI Bank, Singapore. The company has filed its reply dated February 04, 2008 for the same.	NA	Matter is pending
2.	Assistant Commissioner, Commercial Tax Department, Paliakalan SCN No. 743	Bajaj Products ('company') v. Assistant Commissioner, commercial Tax Department, Paliakalan	Eco-Tec Limited A show cause cum demand notice was issued dated April 24, 2009 by the Assistant Commissioner, Commercial Tax Department, Paliakalan demanding a penalty against the seized vehicle carrying goods in transit from Faridabad unit to Kundarki unit without completing column 6 of form 38. The vehicle was released by deposition of the security amount. The amount is deposited by M/s ABB Ltd. The Assistant Commissioner also passed	0.10	Matter is pending

Sr No.	Forum	Parties	Brief Particulars	Quantum (Rs. in millions)	Status
			<p>an order under section 48(5) of Vat act</p> <p>The company filled an appeal to Joint Commissioner (Appeal) Sitapur against the order of Assistant Commissioner which got rejected vide order dated December 24, 2009.</p> <p>The Assistant Commissioner under Sec 31 of UP Vat withdrew his order and issued fresh notice dated September 29, 2009 for hearing under sec 54(14).</p> <p>The company has filed its reply dated November 26, 2009</p>		
3.	Assistant Commissioner, Commercial Tax Department, Paliakalan SCN No. 744	Bajaj Products ('company') v. Assistant Commissioner, commercial Tax Department, Paliakalan	<p>A show cause cum demand notice was issued dated September 29, 2009 under section 48(4) of Vat act by the Assistant Commissioner, Commercial Tax Department, Paliakalan demanding a penalty against the seized vehicle carrying goods in transit from Faridabad unit to Kundarki unit due to difference in quantity as per invoice and transport bilty goods.</p> <p>The vehicle was released by deposition of the security amount.</p> <p>The company has filed its reply dated November 26, 2009</p>	0.09	Matter is pending
4.	Assistant Commissioner, Commercial Tax Department, Paliakalan SCN No. 745	Bajaj Products ('company') v. Assistant Commissioner, commercial Tax Department, Paliakalan	<p>A show cause cum demand notice being SCN 37 was issued dated May 06, 2009 by the Assistant Commissioner, Commercial Tax Department, Paliakalan demanding a penalty against the seized vehicle carrying goods in transit from Faridabad unit to Kinauni unit without completing column 6 of form 38.</p> <p>The vehicle was released by deposition of the security amount. The amount is deposited by M/s Amba Ceramics.</p> <p>The Assistant Commissioner also passed an order under section 48(5) of Vat act</p> <p>The company filled an appeal to Joint Commissioner (Appeal) Sitapur against the order of Assistant Commissioner which got rejected vide order dated December 24, 2009.</p> <p>The Assistant Commissioner under Sec 31 of UP Vat withdrew his order and issued fresh notice dated September 29, 2009 for hearing under sec 54(14).</p> <p>The company has filed its reply dated November 26, 2009</p>	0.10	Matter is pending
5.	Assistant Commissioner, Commercial Tax Department, Paliakalan SCN No. 746	Bajaj Products ('company') v. Assistant Commissioner, commercial Tax Department, Paliakalan	<p>A show cause cum demand notice was issued dated April 24, 2009 by the Assistant Commissioner, Commercial Tax Department, Paliakalan demanding a penalty against the seized vehicle carrying goods in transit from Kinauni unit to Kundarki unit without transport memo with consignment.</p> <p>The vehicle was released by deposition of the security amount. The amount is deposited by M/s ABB Ltd.</p> <p>The Assistant Commissioner also passed an order under section 48(5) of Vat act</p>	0.06	Matter is pending

Sr No.	Forum	Parties	Brief Particulars	Quantum (Rs. in millions)	Status
			<p>The company filled an appeal to Joint Commissioner (Appeal) Sitapur against the order of Assistant Commissioner which got rejected vide order dated December 24, 2009.</p> <p>The Assistant Commissioner under Sec 31 of UP Vat withdrew his order and issued fresh notice dated September 29, 2009 for hearing under sec 54(14). The company has filed its reply dated November 26, 2009</p>		

Material Developments since the Last Balance Sheet Date

In the opinion of our Board, other than as disclosed in this RHP, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities over the next twelve months.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from Government of India and other regulatory authorities for our business and except as disclosed in this RHP no further material approvals are required for carrying on our business operations.

Unless otherwise stated, these approvals are all valid as of the date of this RHP. It must be distinctly understood that, in granting these approvals, the Government of India, the RBI or any other regulatory authority 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.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing activities.

A. Approvals in relation to our Company's incorporation, change of name and registered office

- Certificate of incorporation from the RoC dated April 25, 2006 under the Companies Act as "Bhaumik Agro Products Private Limited". Thereafter a fresh certificate of incorporation was issued by the RoC, for change of name from 'Bhaumik Agro Products Private Limited' to 'Bajaj Corp Private Limited' dated September 11, 2007;
- Fresh certificate of incorporation dated October 16, 2007 issued by the RoC, for change of name and conversion from private limited company to public limited company. Consequently the name of our Company was changed to 'Bajaj Corp. Limited'.
- Form 18 filed with the RoC for change in the registered office from Challenger Towers, Kandivali (East) Mumbai, to Building No. 2, 2nd Floor, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala Andheri (East) Mumbai 400 093 which was within the State of Maharashtra.

B. Approvals for the Issue

Corporate Approvals

- Our Board of Directors has, pursuant to resolutions passed at its meeting held on February 20, 2010 authorised the Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act.
- Our shareholders have, pursuant to a resolution dated February 22, 2010 under Section 81(1A) of the Companies Act, authorised the Issue.
- Further, pursuant to the above, our Board of Directors has, pursuant to resolution dated February 20, 2010, authorised the IPO Committee to take necessary action for filing the DRHP with SEBI.

In-principle approvals from the BSE and the NSE

- We have received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated April 20, 2010 and April 7, 2010, respectively. NSE is the Designated Stock Exchange.

C. Other Approvals for our Business

We require various approvals for us to carry on our business in India. The approvals that we require include the following:

Description	Registration/Reference Number	Date of Issue/Renewal	Expiry date
General Licenses			
Corporate Identity Number	U0111MH2006PLC161345	October 16, 2007	N.A.
Permanent Account Number issued by	AACCB8574H	April 25, 2006	N.A.

Description	Registration/Reference Number	Date of Issue/Renewal	Expiry date
the Income Tax Department.			
Certificates of Importer-Exporter Code received from the Government of India, Ministry of Commerce in respect of various branches of our Company.	1308003056	May 29, 2008	N.A.
Registration under Section 69 of the Finance Act, 1994 in relation to payment of service tax.	AACCB8574HST001	May 14, 2008	N.A.
Allotment of Tax Deduction Account Number under the Income Tax Act, 1961.	JDHBO4809A	April 4, 2008	N.A.
Transfer of registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 from our Promoter to our Company.	RJ / 38	June 26, 2008	NA
Licenses obtained for the Factory at Parwanoo, District Solan, Himachal Pradesh and for Paonta Sahib, District Sirmor, Himachal Pradesh			
Registration under the Contract Labour (Regulation and Abolition) Act, 1970.	LO(SLN)CLA/PE-504	July 14, 2008	N.A.
License issued under the Contract Labour (Regulation and Abolition) Act, 1970 to act as a principal contractor.	LO(SLN) CLA/Cont.-898	July 22, 2008	July 21, 2010
Registration under the Weight & Measurement Act, for the factory at Parwanoo, Himachal Pradesh.	HP. WM (Mfr./Pkr.)1/03-398	August 26, 2008	August 31, 2013
Renewal of the Consent given under the Water Act, 1974 and Air Act, 1981 by the Himachal Pradesh State Pollution Control Board for the factory at Parwanoo.	PCB (273) Bajaj Corp. Limited/ 2009 – 4538-41	June 5, 2010	March 31, 2012
Certificate of Registration given by the Controller, Legal Metrology (Weights and Measures), Himachal Pradesh, under the Standard Weights and Measures (Packaged Commodities Rules), 1977	HP.WM (Mfr/Pkr.) 1/03-535	April 2010	NA
License to manufacture Cosmetics under Drugs and Cosmetics Act, 1940 in Form 32- for the factory at Parwanoo, Himachal Pradesh	S-COS /08/01	June 19, 2008	June 18, 2013
Authorization from the Himachal Pradesh State Pollution Control Board for operating a facility for generation & storage of Hazardous Wastes.	PCB/HWMR/(1896) Bajaj Corp. Ltd./08-22116-20	February 6, 2009	March 31, 2013
Renewal of the Consent given under the Water Act, 1974 and Air Act, 1981 by the Himachal Pradesh State Pollution Control Board for the factory at Paonta Sahib.	PCB/EE(Pt)(1866) Bajaj Corp. Limited/ 2010 – 296-97	May 24, 2010	March 31, 2013
Order issued by the Himachal Pradesh State Electricity Board sanctioning the contract demand of 11000 volts for our Company's existing/proposed units subject to conditions mentioned therein.	N.A.	May 7, 2008	N.A.
Approval for energising high and medium voltage by the Himachal Pradesh Electrical Inspectorate for the Parwanoo unit, Himachal Pradesh.	HIMVINI/Bajaj Corp. Ltd. / Parwanoo/ 2008-4832-35	May 24, 2008	N.A.
Permission to install diesel generating (D.G.) sets of capacity 1x 63 KVA and 1x 150 KVA (standby source), issued by the Himachal Pradesh State Electricity Board for the Parwanoo Unit.	Account No. LS-177	September 15, 2008	N.A.

Description	Registration/Reference Number	Date of Issue/Renewal	Expiry date
Entrepreneur's Memorandum Acknowledgment issued by the Department of Industries (part II).	EM No. 020091260177	July 28, 2008	N.A.
License under Factories Act, 1948 unit I, Himachal Pradesh.	L&E (Fac) 9-153/08	December 31, 2009	December 31, 2010
License under Factories Act, 1948 unit II, Himachal Pradesh.	License No: L&E (Fac) 9-192/08-2010	December 24, 2009	December 31, 2010
Entrepreneur's Memorandum Acknowledgment issued by the Department of industries (part I).	EM No. 020091215178	December 10, 2007	N.A.
Registration under the Contract Labour (Regulation and Abolition) Act, 1970.	LO(SLN)CLA/PE-519	July 16, 2009	N.A.
License issued under the Contract Labour (Regulation and Abolition) Act, 1970 (principal contractor).	LO(SLN)CLA/Cont.-917	July 21, 2009	July 20, 2010
No objection certificate from Fire Department, Shimla (HP)	Home(F.S.)(H.Q) 6-10/76.XL-Sml, NOC 3444-46	March 12, 2010	December 31, 2010
No objection certificate from the Gram Panchayat of Bhatawali to set up factory at Paonta Sahib, Himachal Pradesh.	N. A.	January 27, 2009	N.A.
Essentiality certificate issued by the Joint Director of Industry, Directorate of Industries, for the purchase of land in respect of Paonta Sahib, Himachal Pradesh.	2116	April 16, 2009	April 16, 2011
Permission to establish an industrial unit under Section 118 of the Himachal Pradesh Tenancy and Land Reforms Act, 1972 issued by the Additional Secretary (Revenue), Government of Himachal Pradesh, in respect of Paonta Sahib.	REV-V-F (10)-245/2009	August 7, 2009	The permission is valid for 180 days within which the unit has to be registered under the said Act.
Certificate of Registration granted by the Labour Officer- cum – Registering Officer under Section 7(3) of the Building and Other Construction Work (Registration of Employment and Conditions of Service) Act, 1996.	LO/SMR/HPBOC/WWB/19/2010	May 25, 2010	NA
Certificate of Registration granted by the Registering Officer, Labour Department, Himachal Pradesh, under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970.	LO/SMR/P.E/51/2010	June 4, 2010	NA
Entrepreneur's Memorandum Acknowledgment issued by the Department of industries (part I).	EM No. 02/010/1/2/00204	February 25, 2009	N.A.
Entrepreneur's Memorandum Acknowledgment issued by the Department of Industries (part II).	EM No. 02/010/1/2/00651	April 26, 2010	N.A.
License to manufacture Cosmetics under Drugs and Cosmetics Act, 1940 in Form 32- for the factory at Paonta Sahib, Himachal Pradesh	S-COS /10/13	March 15, 2010	March 14, 2015
Approval for energising high and medium voltage by the Himachal Pradesh Electrical Inspectorate for the Paonta Sahib unit, Himachal Pradesh.	HIMVINI/Bajaj Corp. Ltd. / Parwanoo.2010/-13144-47	March 15, 2010	N.A.
Certificate of verification of weighing & measuring scales under Himachal Pradesh Weight & Measurement Act, 1985	No. 0197371	April 13, 2010	April 12, 2011

Description	Registration/Reference Number	Date of Issue/Renewal	Expiry date
Licenses obtained for the Unit at Selaqui, Dehradun, Uttarakhand			
License to manufacture cosmetics for sale (or for distribution) issued by the Drug Licensing and Controlling Authority, Uttarakhand – Dehradun.	5/C/UA/2009	May 23, 2009	May 22, 2014
License under the Factories Act, 1948 to operate its unit at Dehradun	H.W.R-795	January 06, 2010	December 31, 2010
Registration under Weight & Measurement Act, for Dehradun.	85/WMA/186-18/S.No./ 2009	November 13, 2009	N.A.
Consent from the Uttarakhand (Dehradun) Environment Protection & Pollution Control Board.	UEPPCB/ROD/approval-Dehradun-965-09-10/2703	May 16, 2009	March 31, 2010
Registration under the Contract Labour (Regulation and Abolition) Act, 1970	452/D.C.L/2010	February 23, 2010	N.A.
No objection certificate for environmental pollution control issued by the District Industries Centre, Dehradun, Uttarakhand.	522/DIC/Dehradun/ pollution / NOC/ 2007-08	May 22, 2008	N.A.
Approval for grant of power load by the Electricity Distribution Department, Dehradun, Uttarakhand.	4952 EDD(R)/Sanction (Ind.)	December 29, 2008	N.A.
No objection certificate from the State Industrial Development Authority of Uttarakhand, for building construction at Dehradun.	2250	October 20, 2008	N.A.
Approval issued by the State Industrial Development Authority of Uttarakhand, approving the drawing of our Company's unit located at Dehradun.	10290/AEP/SIDA/08,	November 18, 2008	N.A.
No objection certificate issued by the local fire Department, Dehradun.	CFOFD-12/09-10	September 3, 2009	2009-2010
Entrepreneurs memorandum Acknowledgment issued by the Department of industries (part I).	0505020245	May 22, 2008	N.A.
Entrepreneurs memorandum Acknowledgment issued by the Department of industries (part II).	050051200694	January 27, 2010	N.A.
Sales Tax/ Value Added Tax registration in States where our Company has Offices			
State	Registration Number	Date of Issue	Expiry
Punjab	TIN – 03142044736	April 2, 2008	N.A.
Haryana	TIN – 06162506153	March 27, 2008	N.A.
Himachal Pradesh	GST – SOL-III-12077 CST – 11895	February 15, 2008	N.A.
Chandigarh	TIN – 04810032862	April 02, 2008	N.A.
Delhi	TIN – 07960339541 CST- 11895-07-15-208	March 03, 2008 May 3, 2008	N.A.
Uttar Pradesh	TIN – 09150004697	March 27, 2008	N.A.
Madhya Pradesh	TIN – 23211304112	March 28, 2008	N.A.
Chhattisgarh	TIN – 22431205116	March 19, 2008	N.A.
Bihar	TIN – 10010653074	April 2, 2008	N.A.
Jharkhand	TIN - 20230405749	April 11, 2008	N.A.
Gujarat	VAT – 24075500948 CST – 24575500948	March 15, 2008	N.A.
Andhra Pradesh	TIN – 28231983093	April 1, 2008	N.A.
Maharashtra	VAT TIN – 27090650623V CST TIN – 27090650623C	April 1, 2008	N.A.
Tamil Nadu	TIN – 33832844354 CST – 953344	May 22, 2008 May 23, 2008	N.A.
Kerala	TIN – 32071381874 C	May 20, 2008	N.A.

Description	Registration/Reference Number	Date of Issue/Renewal	Expiry date
Assam	TIN – 18570095425 CST – 18159926980	April 10, 2008	N.A.
Orissa	TIN – 21581210482	April 4, 2008	N.A.
Karnataka	TIN – 29910793699	March 13, 2008	N.A.
Rajasthan	TIN/ CST – 08773960154	March 1, 2008 March 11, 2008	N.A.
Uttarakhand	CST/TIN – 05008001167	May 22, 2008	N.A.
West Bengal	CST – 19603924265 VAT – 19603924071	July 21, 2008	N.A.
License under Shops and Establishments Act under Different States			
Karnataka	49/ward no./559/2008	December 12, 2008	December 31, 2012
Madhya Pradesh	Reg. No.-406041 License No.-42203/032008/115	June 1, 2009	March 31, 2010
Haryana	PKL/10/ 1348	January 1, 2010	March 31, 2012
Mumbai	760053832/ Commercial II	June 3, 2008	December 31, 2010
Udaipur	201/CE/31(3) P-163	January 1, 2009	December 31, 2012
Indore	406041	June 1, 2009	December 31, 2014
Zirakpur	Mahauli/Derabassi/629	January 27, 2010	March 31, 2011
Gwalior	23061/Gwl/CE/2009	December 04, 2009	March 31, 2013
Hyderabad	ALO35/HYD/437/2010	February 03, 2010	December 31, 2010
Noida	S.& C.E.G. Nagar 35/10278	January 13, 2010	March 31, 2014

Applications made but not received

Our Company has made the following applications for the renewal of its licenses:

Unit Located at Selaquin, Dehradun

- Application dated February 4, 2010 made by our Company to the State Industrial Development Authority for the Occupancy certificate in respect of our Company's Dehradun unit.

Intellectual property

Our Company has entered into a Trademark License Agreement dated March 12, 2008 as amended by an Amendment Agreement dated January 22, 2010, with BCCL. For further details please see the section titled "History and Certain Other Corporate Matters" beginning on page 105 of this RHP.

The following registered and unregistered trademarks, copyrights and design have been licensed to our Company by BCCL in respect of our Company's products:

Licensed Registered Trademarks

Name of Product	Registration Number	Date of Application	Class	Status
Bajaj Amla Hair Oil (label Mark)	989679	February 12, 2001	3	Registered and valid till February 12, 2011.
Bajaj Amla (label Mark)	989680	February 12, 2001	3	Registered and valid till February 12, 2011.
Bajaj (Hindi) logo	1583988	July 25, 2007	3	Registered and valid till July 25, 2017.
Bajaj (English) logo	1583987	July 25, 2007	3	Registered and valid till July 25, 2017.

Name of Product	Registration Number	Date of Application	Class	Status
Bajaj Coconut Oil	841364	February 16, 2009	29	Renewed and valid till February 16, 2019.

Licensed Unregistered Trademarks

Name of Product	Application Number	Date of Application	Class	Status
Bajaj Kala Dant Manjan	1560097	May 21, 2007	3	Pending registration
Bajaj Almond drops (label mark)	1560098	May 21, 2007	3	Pending Registration
Bajaj Amla Shikakai	1560099	May 21, 2007	3	Pending registration
New Bajaj Brahmi Amla	1560100	May 21, 2007	3	Pending registration
Bajaj Red Tooth Powder	1560101	May 21, 2007	3	Pending registration

Pending Applications

Application for the product Bajaj Jasmine is yet to be made by our corporate Promoter BCCL.

Licensed Registered Copyrights

Name of Product	Registration Number	Date of Registration	Status
Bajaj Brahmi Amla	A-57864/2000	October 18, 2000	Registered
Bajaj Pure Coconut Oil	A-57863/2000	October 18, 2000	Registered

Licensed Unregistered Copyrights

Name of Product	Application Number	Date of Application	Status
Bajaj Almond Drops*	1560098	May 21, 2007	Pending Registration
Bajaj Amla Shikakai*	1560099	May 21, 2007	Pending registration

*Our corporate Promoter BCCL has applied compositely for the design of bottle, label and art work of these marks under the Trademark Act and hence we are not required to make separate applications for registering the same under the under Copyright Act.

Licensed Registered Designs

Name of Product	Registration Number	Date of Application	Class	Status
Bajaj Almond Drops	173807	May 5, 1997	In class 3	Registered as on November 18, 1997
Bajaj Brahmi Amla	188101	February 12, 2002	In class 3	Registered as on July 2002
Bajaj Amla	184904 & 184985	March 02, 2001	In class 3	Registered as on August 17, 2001 for application No 184985. Registered as on August 7, 2001 for application No 184904.
Bajaj Pure Coconut Oil	179039	March 23, 1999	In class 3	Registered as on September 30, 1999.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

- Our Board of Directors has, pursuant to the resolution passed at its meeting held on February 20, 2010, authorised the Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act.
- Our shareholders have, pursuant to a resolution passed at the meeting held on February 22, 2010, authorised the Issue under Section 81(1A) of the Companies Act.

Prohibition by the SEBI, the RBI or other governmental authorities

None of our Promoter, Directors or persons in control of our Company was or is a Promoter, Director or person in control of any other company which is debarred from accessing the capital market under any order or direction made by SEBI.

We confirm that neither our Company, our Promoter, persons in control of our Promoter, our Directors; are debarred or have been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other authority.

Except as provided hereunder, our Directors are not in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity our Directors are involved in as promoters or directors.

Name of the Director	SEBI Registered Entity & Registration Number	Adjudication proceedings initiated against the said Director or any Company he is involved in as promoter or director.
Mr. Gaurav Dalmia	M/s. Parag Parikh Financial Advisory Services Limited, registered under the category of Portfolio Manager Services with SEBI Registration Number: INP000000241.	SEBI has pursuant to its order dated January 28, 2010 (“ Order ”), initiated adjudication proceedings against our director Mr. Gaurav Dalmia for alleged violation of Regulation 11(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, for his association with M/s. OCL India Limited (“ OCL ”) as a member of its promoter group. The said matter pertains to the violations in the increase in promoter holding from 62.56% to 75% in OCL pursuant to buy back of equity shares. Mr. Dalmia has filed an appeal dated March 15, 2010 against the said Order in the Securities Appellate Tribunal.

Neither our Company, our Promoter, our Group Companies, relatives (as per the Companies Act), have been detained as wilful defaulters by the RBI or any other authorities.

Eligibility for the Issue

Our Company is eligible for the Issue under Regulation 26(2) of the ICDR Regulations, which states as follows:

“An issuer not satisfying any of the conditions stipulated in sub-regulation (1) may make an initial public offer if:

- (i) the issue is made through the book building process and the issuer undertakes to allot at least fifty per cent of the net offer to public to qualified institutional buyers and to refund full subscription monies if it fails to make allotment to the qualified institutional buyers or;*

(ii) at least fifteen per cent. of the cost of the project is contributed by scheduled commercial banks or public financial institutions, of which not less than ten per cent shall come from the appraisers and the issuer undertakes to allot at least ten per cent of the net offer to public to qualified institutional buyers and to refund full subscription monies if it fails to make the allotment to the qualified institutional buyers;

(b) *(i) the minimum post-issue face value capital of the issuer is ten crore rupees or;*

(ii) the issuer undertakes to provide market-making for at least two years from the date of listing of the specified securities, subject to the following:

(A) the market makers offer buy and sell quotes for a minimum depth of three hundred specified securities and ensure that the bid-ask spread for their quotes does not, at any time, exceed ten per cent;
(B) the inventory of the market makers, as on the date of allotment of the specified securities, shall be at least five per cent. of the proposed issue."

- We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the ICDR Regulations and are therefore required to meet both the conditions detailed in Regulation 26(2)(a) and Regulation 26(2)(b) of the ICDR Regulations.
- We are complying with Regulation 26(2)(a)(i) of the ICDR Regulations and at least 60% of the Issue is proposed to be Allotted to QIBs (in order to comply with the requirements of Rule 19(2)(b) of the SCRR) and in the event we fail to do so, the full subscription monies will be refunded to the Bidders.
- We are complying with the second proviso to Regulation 43(2) of the ICDR Regulations and Non-Institutional Bidders and Retail Individual Bidders will be allocated not less than 10% and 30% of the Issue respectively, subject to valid bids being received.
- We are also complying with Regulation 26(2)(b)(i) of the ICDR Regulations and the post-Issue face value capital of our Company will be more than the minimum requirement of Rs. 10 crore, i.e., Rs. 100 million.

Therefore, we are eligible for the Issue under Regulation 26(2) of the ICDR Regulations. Further, in accordance with Regulation 26(4) of the ICDR Regulations, our Company will ensure that the number of prospective Allottees will not be less than 1,000; otherwise the entire application money shall be returned forthwith.

If such money is not repaid within eight days after our Company becomes liable to repay it (i.e., from the date of refusal or within 15 days from the date of Bid Closing Date, whichever is earlier), then our Company shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% *per annum* on application money, as prescribed under Section 73 of the Companies Act.

Compliance with Part A of Schedule VIII of the ICDR Regulations

Our Company is in compliance with the provisions specified in Part A of Schedule VIII of the ICDR Regulations. Further, our Company has not been formed by the conversion of a partnership firm into a company.

Disclaimer Clause

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AS IN FORCE FOR THE TIME BEING, AS THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 26, 2010 WHICH READS AS FOLLOWS:

- (1) “WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.**
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**
 - (a) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - (b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (c) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- (3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.-**
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF ITS EQUITY SHARES AS PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI 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 PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

- (7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT 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 BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE.- NOT APPLICABLE
- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- (9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION.- NOTED FOR COMPLIANCE
- (10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE, ALLOTMENT SHALL BE MADE IN DEMAT FORM ONLY, PURSUANT TO SECTION 68B OF THE COMPANIES ACT
- (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 COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - (b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
- (13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER 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/ DRAFT PROSPECTUS/ DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.”

The filing of the RHP does not, however, absolve our Company from any liabilities under section 63 and section 68 of the Companies Act, 1956 or from the requirement of obtaining such statutory and 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 RHP.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the RHP with the RoC in terms of Section 60 B of the Companies Act, all legal requirements pertaining to the Issue will be complied with at the registration of the Prospectus with the RoC in terms of sections 56, 60 and 60B of the Companies Act.

Disclaimer from our Company and the BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this RHP or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our web site www.bajajcorp.com or any other affiliate of our Company, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into among the BRLM and our Company dated February 24, 2010 and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by us, and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Our Company, the BRLM and the Syndicate Member shall not be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Investors that Bid in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in respect of jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, 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), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies and pension funds) and to FIIs, multilateral and bilateral institutions, Eligible NRIs and the National Investment Fund set up by the Government of India. This RHP does not, however, constitute an invitation to subscribe to our Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this RHP comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this RHP has been filed with SEBI for observations. Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and this RHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this RHP nor any sale hereunder shall, under any circumstances, create any

implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Our 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.

Our Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, our Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the Securities Act and referred to in this RHP as "U.S. QIBs" (for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the RHP as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in reliance on Regulation S under the Securities Act.

Disclaimer clause of the BSE

Bombay Stock Exchange Limited ("the Exchange") has given vide its letter dated April 20, 2010, permission to this Company to use the Exchange's name in this offer document as one of the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer clause of the NSE

As required, a copy of this Offer Document has been submitted to the National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter ref.:NSE/LIST/134745-D dated April 7, 2010 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed to will continue to be listed on the Exchange; not does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquires any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of this RHP has been filed with SEBI 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 RHP, along with the documents required to be filed under Section 60B of the Companies Act would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC at the Office of the Registrar of Companies, Maharashtra, Mumbai, at 100, Everest, Marine Drive, Mumbai – 400 002, India.

Listing

Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange with which the basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of our Equity Shares is not granted by either of the Stock Exchanges mentioned above, we will forthwith repay, without interest, all moneys received from the applicants in pursuance of this RHP. If such money is not repaid within eight days after our Company becomes liable to repay it, i.e. from the date of refusal or within 7 days from the Bid Closing Date, whichever is earlier, then our Company and every Director of our Company which is an officer in default 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 shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within seven working days of finalization of the basis of Allotment for the Issue.

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, our Auditors, Bankers to the Issue and Bankers to our Company; and (b) the BRLM and Syndicate Member, Escrow Collection Bankers, Registrar to the Issue, domestic and international legal counsels, to act in their respective capacities, have been obtained and would be filed along with a copy of the RHP with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the RHP for registration with the RoC.

R.S. Dani & Company, Chartered Accountants, the Auditors of our Company, have given their written consent to the inclusion of their report in the form and context and such consent and report have not been withdrawn up to the time of delivery of the RHP for registration with the RoC.

CRISIL, the agency engaged by us for the purpose of obtaining an IPO grading in respect of this Issue, will give its written consent to the inclusion of its report in the form and context in which it will appear in the RHP and such consent and report will not be withdrawn up to the time of delivery of the RHP and the Prospectus with the RoC and the Designated Stock Exchange.

Expert Opinion

Except the report of CRISIL in respect of the IPO grading of this Issue which will be annexed with the RHP and as otherwise stated in this RHP, we have not obtained any expert opinions.

Fees payable to the BRLM and the Syndicate Member

The total fees, brokerage and selling commissions payable to the BRLM and the Syndicate Member (including underwriting commission and selling commission) will be as per the engagement letter entered into between our Company and BRLM, copies of which are available for inspection at our Registered Office.

Fees payable to the Registrar to the Issue

The fees payable by us to the Registrar to the Issue for processing of Bid-cum-Application Forms, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register and other activities will be as per the agreement dated February 20, 2010 between us and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to make refunds or send Allotment advice by registered post/speed post/under certificate of posting.

Particulars regarding capital issues during the last five years

Our Company has not made any previous capital issues in the five years preceding the date of this RHP.

Previous issues of shares otherwise than for cash

Except as stated in the section titled “**Capital Structure**” beginning on page 52 of this RHP, our Company has not made any previous issues of Equity Shares for consideration otherwise than for cash.

Commission or brokerage on previous issues

This being the first public issue of Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares since our Company’s incorporation.

Capital issues in the last three years

Our Company has not made any public or rights issue during the last three years preceding the date of this RHP.

For details of public, rights or other capital issues by our Group Entities, see the section titled “**Our Promoter and Group Companies**” beginning on page 121 of this RHP.

Promise versus performance

Our Company has not made any previous rights and public issues.

For details of promise v. performance of the last one issue of our Group Entities, see the section titled “**Our Promoter and Group Companies**” beginning on page 121 of this RHP.

Outstanding debentures or bond issues or preference shares

Our Company has no outstanding debentures or bonds or preference shares, as of the date of this RHP.

Stock market data of our equity shares

This being the first public issue of Equity Shares of our Company, our Equity Shares are not listed on any stock exchange and hence no stock market data is available.

Mechanism for redressal of investor grievances

The Agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of atleast six month from the last date of dispatch of the letters of Allotment, refund orders, demat credit or, where refunds are being made electronically, giving of refund instructions to the clearing system to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application, depository participant and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of investor grievances by our Company

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be ten working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress such complaints as expeditiously as possible.

We have also appointed Mr. D. K. Maloo, as the Compliance Officer for this Issue and he may be contacted in case of any pre-Issue or post-Issue related problems, at the following address:

Mr. D.K. Maloo
Bajaj Corp Limited
Old Station Road,
Udaipur – 313 001.
Tel: + 91 294 2561631 / 32
Fax: + 91 294 2561631
Email: complianceofficer@bajajcorp.com
Website: www.bajajcorp.com

Disposal of investor grievances by listed companies under the same management as our Company

For details of investor complaints pending with respect to the listed Group Entities see the section titled “Our Promoter and Group Companies” beginning on page 121 of this RHP.

Change in auditors

M/s. Hemant Panpalia & Co., Mumbai were the first auditors of our Company. On October 17, 2007, M/s. Hemant Panpalia & Co. was replaced by M/s. R.S. Dani & Co., as auditors of our Company.

Capitalization of reserves or profits

Except as disclosed in the section titled “Capital Structure” beginning on page 52 of this RHP, our Company has not capitalized its reserves or profits at any time since incorporation.

Revaluation of assets

There has been no revaluation of assets of our Company in the last five years.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The present Issue of 4,500,000 Equity Shares of Rs. 5/- each, at a price of Rs. [●] for cash aggregating Rs. [●] million is being made through the 100% Book Building Process. The Issue will constitute 15.3% of the fully diluted post-Issue Equity Share capital of our Company. If at least 60% of the Issue cannot be allocated to QIBs, the entire application money shall be refunded forthwith.

	QIBs*	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares *	At least 2,700,000 Equity Shares	Not less than 450,000 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 1,350,000 Equity Shares available for allocation or Issue Size less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for Allotment/allocation**	At least 60% of the Issue shall be allocated to QIBs. However, up to 30% of the QIB Portion, i.e. 810,000 Equity Shares shall be available for allocation to the Anchor Investors	Not less than 10% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 30% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allotment/Allocation respective category is oversubscribed	Proportionate as follows: (a) 94,500 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) 1,795,500 Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds which are allocated Equity Shares as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares.	[●] Equity Shares.
Maximum Bid	Such number of Equity Shares not exceeding the Issue Size, subject to applicable limits.	Such number of Equity Shares not exceeding the Issue Size subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares	[●] Equity Shares in multiples of [●] Equity Shares	[●] Equity Shares in multiples of [●] Equity Shares.
Allotment Lot	[●] Equity Shares.	[●] Equity Shares.	[●] Equity Shares.
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply **	Public financial institutions as specified in Section 4A of the Companies Act, FIIs and sub-accounts registered with SEBI other than FIIs sub-accounts who are foreign corporate or foreign	Eligible NRIs, FII's sub-accounts who are foreign companies or foreign individuals, Resident Indian individuals, HUF (in the name of Karta), companies, corporate bodies, scientific	Retail Individual Bidders.

	QIBs*	Non-Institutional Bidders	Retail Individual Bidders
	individuals, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension funds with minimum corpus of Rs. 250 million and the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India and the insurance funds set up and managed by army, navy or air force of the Union of India	institutions societies and trusts, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals.	
Terms of Payment	Bid Amount shall be payable at the time of submission of Bid cum Application Form to the BRLM.	Bid Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Member ^{###} .	Bid Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Member ^{###}

** Our Company may allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price in accordance with the ICDR Regulations. At least one-third of the Anchor Investor Portion shall be available for allocation to Mutual Funds only. Allocation to Anchor Investors shall be on a discretionary basis subject to a minimum number of (i) two Anchor Investors, where the allocation in the Anchor Investor Portion is up to Rs. 2,500 million and (ii) five, where the allocation under the Anchor Investor Portion is more than Rs. 2,500 million. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least Rs. 100 million.*

^{###} *In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.*

^{*} Subject to valid Bids being received at or above the Issue Price. In accordance with Rule 19(2)(b) of the SCRR, this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue will be allocated on a proportionate basis to QIBs, out of the QIB Portion (excluding the Anchor Investor Portion), 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 94,500 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further, not less than 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue will 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 except in the QIB category would be met with spill-over from other categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

If at least 60% of the Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

- ** In case the Bid cum Application Form is submitted in joint names, the Bidders should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. Our Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

Bid/ Issue Programme

BID OPENS ON	Monday August 2, 2010*
BID CLOSES ON:	
FOR QIB BIDDERS	Wednesday August 4, 2010
FOR RETAIL AND NON INSTITUTIONAL BIDDERS	Thursday August 5, 2010

* The 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.

Our Company is considering participation by Anchor Investors in terms of the ICDR Regulations. For details see the section titled “Issue Procedure- Bids by Anchor Investor” beginning on page 290 this RHP.

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 5 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 case of Bids submitted through ASBA, the Designated Branches of the SCSBs, **except that on the Bid Closing Date for QIBs, Bids shall be accepted only between 10 a.m. and 3 p.m.** (Indian Standard Time) and uploaded until 4.00 p.m. On Bid Closing Date for Retail and Non Institutional Bidders, Bids shall be accepted only between 10 a.m and 3 p.m (Indian Standard Time) and uploaded until (i) 4.00 P.M in case of Bids by Non institutional Bidders; and (ii) until 5.00 p.m or until such time as permitted by the Stock Exchanges in case of Bids by Retail Individual Bidders where the Bid Amount is up to Rs. 100,000. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 3 p.m (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid 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, the BRLM and the Syndicate Member shall not be responsible. Bids will be accepted only on working days, i.e. Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the NSE and the BSE.

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

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) 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 public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday).

On the Bid / Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received from 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 BRLM to the Stock Exchanges.

The Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bidding/ 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.

In case of revision in the Price Band, the Bidding Period will be extended for three additional working Days after revision of the 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 website of the BRLM and at the terminals of the members of the Syndicate.

TERMS OF THE ISSUE

Our Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association, the terms of the DRHP, the RHP, the Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the listing agreements to be entered with the Stock Exchanges 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. Our Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the SEBI, the Government of India, the Stock Exchanges, the Registrar of Companies, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

Our Equity Shares being offered shall be subject to the provisions of the Companies Act, and our Memorandum of Association and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees in receipt of Allotment of our Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled “Main Provisions of Articles of Association of our Company” beginning on page 316 of this RHP.

Payment of Dividends

Dividends if any shall be paid to our shareholders in accordance with the provisions of the Companies Act, Articles and the provisions of the Listing Agreements.

Face Value and Issue Price

The face value of each Equity Share is Rs. 5/- and the Issue Price is Rs. [●] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Shares.

Compliance with the SEBI

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

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders of our Company shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and any preferential claims being satisfied;
- Subject to applicable law including any RBI rules and regulations, right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and our Memorandum of Association and Articles of Association.

All our Equity Shareholders have the same voting rights. For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividends, forfeiture and lien and/or consolidation/splitting, see the section titled “Main Provisions of Articles of Association of our Company” beginning on page 316 of this RHP.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, our Equity Shares shall be allotted only in dematerialized form. As per the ICDR Regulations, the trading of our Equity Shares shall only be in dematerialized form. Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Share, subject to a minimum Allotment of [●] Equity Shares.

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, our Equity Shares that are Allotted, if any, shall vest. A person, being a nominee, entitled to our 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 benefits to which he or she would be entitled if he or she were the registered holder of our 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 our Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of our Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office or the Registrar of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of our Equity Shares; or
- to make such transfer of our 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 our Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of our 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 form, there is no need to make a separate nomination with our Company. Nominations registered with respective DP of the applicant would prevail. If the investors want to change their nomination, they are requested to inform their respective depository participant.

Application by Eligible NRIs / FIIs registered with SEBI

It is to be distinctly understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI. Such Eligible NRIs, FIIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation.

Bidding Period

Bidders may submit their Bids only in the Bidding Period. The Bid Opening Date is Monday August 2, 2010 and the Bid Closing Date is Wednesday August 4, 2010 for QIB Bidders and Thursday August 5, 2010 for Non Institutional and Retail Bidders. Provided that Anchor Investors must submit their Bid on the Anchor Investor Bidding Date.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, including the devolvement of Underwriters, within 60 days from the Bid Closing Date, our Company shall refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act.

Further in terms of Rule 19(2)(b) of the SCRR, if at least 60% of the Issue cannot be allocated to QIBs, then the entire application money shall be refunded forthwith.

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

Jurisdiction

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

Our 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.

Our Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, our Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” as defined in Rule 144A under the Securities Act and referred to in this RHP as “U.S. QIBs” (for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the RHP as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in reliance on Regulation S under the Securities Act.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

Except for lock-in of the pre-Issue Equity Shares, Promoters’ minimum contribution and Anchor Investor lock-in in the Issue as detailed in the section entitled “**Capital Structure**” on page 52 of this RHP, and except as provided in the Articles, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfers of debentures except as provided in the Articles. There are no restrictions on transmission of shares/debentures and on their consolidation/ splitting except as provided in the Articles. Please see the section entitled “**Main Provisions of the Articles of Association of our Company**” on page 316 of this RHP.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that all Bidders (except Anchor Investors) 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 Bidders (other than ASBA Bidders) are required to make payment of the full Bid Amount with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSB.

It may be noted that pursuant to the SEBI Circular (no. CIR/CFD/DIL/2/2010) dated April 06, 2010 SEBI has decided to extend the ASBA facility to QIBs in all public issues opening on or after May 1, 2010.

Book Building Procedure

In terms of Rule 19(2)(b) of the SCRR read with Rule 41(1)(a) of the ICDR Regulations, this is an Issue for less than 25% of the post-Issue capital, and therefore, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue shall be allocated to QIBs on a proportionate basis. Out of the QIB Portion (excluding Anchor Investor Portion), 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Allocation to Anchor Investors shall be on a discretionary basis and not on a proportionate basis.

Bidders are required to submit their Bids through the Syndicate. ASBA Bidders are required to submit their Bids through the SCSBs.

Investors should note that our 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 and the beneficiary account number shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. Our Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

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
Resident Indians and Eligible NRIs applying on a non-repatriation basis	WHITE
Eligible NRIs, FIIs or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	BLUE
ASBA Bidders	WHITE

Bid cum Application forms for Anchor Investors will be made available our Registered Office and with the members of the Syndicate.

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the RHP. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate / SCSBs or their designated branches, the Bidder or the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the RHP 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 or the ASBA Bidder.

Before being issued to Bidders, the Bid cum Application Form (except in relation to ASBA Bidders) shall be

serially numbered. ASBA Bid cum Application Forms downloaded and printed from the websites of the Stock Exchanges shall bear a system generated unique application number. ASBA Bidders shall submit a ASBA Bid cum Application Form either in physical or electronic form (through the internet banking facility available with the SCSBs or their designated branches and such other electronically enabled mechanism for Bidding) to the SCSB or their designated branches authorising blocking of funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders.

Who can Bid?

- Indian nationals resident in India who are not minors 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.;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative 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;
- 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
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their constitution to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund;
- Insurance funds set up and managed by army, navy or air force of the Union of India; and
- Multilateral and Bilateral Development Financial Institutions

As per the existing regulations, OCBs cannot participate in this Issue.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Participation by Associates of BRLM and Syndicate Member

The BRLM and Syndicate Member shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and Syndicate Member 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 investors, where the allocation is on a proportionate basis.

The BRLM, and any persons related to the BRLM, our Promoter and our Group Companies cannot apply in the Issue under the Anchor Investor Portion.

Bids by Anchor Investors

Our Company may consider participation by Anchor Investors in the QIB Portion for up to 30% of the QIB Portion in accordance with the ICDR Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the ICDR Regulations and not otherwise excluded pursuant to Schedule XI of the 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 ICDR Regulations, the key terms for participation in the Anchor Investor Portion are provided below:

- (a) 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.**
- (b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 100 million. 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 Rs. 100 million.**
- (c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds.**
- (d) The Bidding for Anchor Investors shall open one Working Day before the Bid/Issue Opening Date and shall be completed on the same day.**
- (e) 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 Rs. 2,500 million; and
 - five, where the allocation under Anchor Investor Portion is over Rs. 2,500 million.
- (f) 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.**
- (g) Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.**
- (h) 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.**
- (i) The Equity Shares Allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.**
- (j) None of the BRLM or any person related to the BRLM, promoters, or promoter group 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.

- (k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

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 language newspaper, each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date.

Bids by Mutual Funds

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 94,500 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.

No mutual fund scheme shall invest more than 10% of its net asset value in the 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.

Bids by Eligible NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs at the Registered Office of our Company and with members of the Syndicate.
2. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Bids by Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation.

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 total 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 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. As of now, the aggregate FII holding in our Company cannot exceed 24% of our total paid-up share capital of our Company. With the approval of the Board the Shareholders of our Company by way of a special resolution, the aggregate FII holding can go up to 100% of the paid-up share capital of our Company. However, as of this date no such resolution has been recommended for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals 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, or its sub-account may

issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any Offshore Derivative Instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI Regulations. Associates and affiliates of the underwriters including the BRLM and the Syndicate Member 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 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) Regulations, 1996 and SEBI (Foreign Venture Capital Investor) Regulations, 2000 *inter alia* prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, 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 funds can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer company whose shares are proposed to be listed.

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 RHP. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the investment 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 Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date for QIB Bidders and is required to pay the full Bid Amount upon the submission of the Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

- (c) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares and in multiples of [●] Equity Shares such that the Bid Amount exceeds Rs. 100 million. 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. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid Date and are required to pay the Bid Amount at the time of submission of the Bid.**

Information for the Bidders:

- (a) Our Company and the BRLM shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation. This advertisement shall be in the prescribed format.
- (b) Our Company has filed the RHP with the RoC at least three days before the Bid/Issue Opening Date.
- (c) Copies of the Bid cum Application Form and, at the request of potential investors, copies of the RHP will be available with the Syndicate, SCSBs and the websites of the Stock Exchanges, NSE and BSE.
- (d) Any investor (who is eligible to invest in the Equity Shares) who would like to obtain the RHP and/ or the Bid cum Application Form can obtain the same from our Registered Office or from any of the members of the Syndicate. ASBA Bid cum Application Forms can be obtained by Bidders from the SCSBs and electronic ASBA Bid cum Application Forms shall be available on the websites of SCSBs. ASBA Bid cum Application Forms shall also be available at the website of the Stock Exchanges [at least one day prior to the Bid / Issue Opening Date]. Furthermore, the abridged prospectus will be available on the website of the SCSBs and the Stock Exchanges.
- (e) Eligible Bidders who are interested in subscribing for the Equity Shares should approach any of the BRLM or the Syndicate Members or their authorized agent(s) to register their Bids. Eligible Bidders can approach the Designated Branches to register their Bids under the ASBA process.
- (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 in accordance with the ICDR Regulations and any other circulars issued by SEBI in this regard. Bid cum Application Forms should bear the stamp of the members of the Syndicate or Designated Branch. 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.

The applicants may note that in case of DP ID or Client ID and PAN mentioned in the Bid cum Application Form / ASBA Bid cum Application Form and entered into the electronic bidding system of the stock exchanges by the Syndicate / SCSBs and the designated branch of SCSBs 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.

Method and Process of Bidding

- (a) 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 one in Marathi newspaper with wide circulation) at least two working days prior to the Bid/ Issue Opening Date. The Syndicate and the SCSBs shall accept Bids from the Bidders during the Issue Period.
- (b) 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 and at the terminals of the members of the Syndicate.
- (c) The BRLM shall accept Bids from the Anchor Investors on the Anchor Investor Bidding Date, *i.e.* one Working Day prior to the Bid/ Issue Opening Date. Bidders, except Anchor Investors who are interested in subscribing to the Equity Shares should approach any of the members of the Syndicate, their authorized agents or SCSBs to register their Bids, during the Bid/ Issue Period. The members of the Syndicate shall accept Bids from the all Bidders and shall have the right to vet the Bids, during the Bid/ Issue Period in accordance with the terms of the Syndicate Agreement and the Red Herring Prospectus. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids.

- (d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “**Bids at Different Price Levels**” beginning on page 294 of this RHP) 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.
- (e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate or SCSBs. Submission of a second 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**” beginning on page 297 of this RHP.
- (f) Except in relation to Bids received from the Anchor Investors, the members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- (g) 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.
- (h) Along with the Bid cum Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described in the section titled “**Escrow Mechanism - Terms of payment and payment into the Escrow Accounts**” beginning on page 303 of this RHP.
- (i) Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.
- (j) 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.
- (k) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form 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.

Bids at Different Price Levels and Revision of Bids

- (a) Our Company, in consultation with the BRLM, 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 our 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.
- (b) 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.
- (c) Our Company, in consultation with the BRLM, can finalise the Anchor Investor Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Anchor Investors.
- (d) 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. . In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price, the Retail Individual Bidders who Bid at Cut-off Price shall receive the refund of the excess amounts from the Escrow Account(s).

- (e) 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 of the Price Band with the members of the Syndicate. In case of ASBA Bidders bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block amount based on the cap of the Price Band.
- (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) make additional payment based on the cap of the revised Price Band, with the members of the Syndicate of SCSBs to whom the original Bid was submitted. In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds Rs. 100,000 for Retail Individual Bidders 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 Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.
- (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(s) / refund accounts (s) or unblocked by the SCSBs, as applicable.

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 Rs. 5,000 to Rs. 7,000.

Electronic Registration of Bids

- (a) The members of the Syndicate and the SCSBs will register the Bids received, except Bids received from Anchor Investors, using the online facilities of the Stock Exchanges. Details of Bids in the Anchor Investor Portion will not be registered on the online facilities of the Stock Exchanges. There will be at least one online connectivity in each city, where the Stock Exchanges are located in India and where such Bids are being accepted. The BRLM, our Company and the Registrar to the Issue 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 members of the Syndicate and/or the SCSBs shall be responsible for any errors in the Bid details uploaded by them. It shall be presumed that for the Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.
- (b) The Stock Exchanges will offer a screen-based facility for registering such Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents and the SCSBs during the Bid/Issue Period. The 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 it will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis.
- (c) On the Bid/Issue Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the Bids until such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis. In order to ensure that the data uploaded is accurate, the Syndicate may be permitted one Working Day after the Bid/Issue Closing Date to amend some of the data fields (currently DP ID, Client ID) entered by them in the electronic bidding system. Bidders are cautioned that a high inflow of Bids typically experienced on the last Working Day of the Bidding may lead to some Bids received on the last Working Day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be

considered for allocation. Bids will only be accepted on Working Days, *i.e.*, Monday to Friday (excluding any public holiday).

- (d) Based on the aggregate demand and price for Bids registered on the electronic facilities of the BSE and the NSE, a graphical representation of consolidated demand and price would be made available at the bidding centres during the Bidding Period.
- (e) At the time of registering each Bid, the members of the Syndicate or the designated branch of the SCSB in case of ASBA Bidders shall enter the following details of the Bidder in the electronic system:
- Name of the Company.
 - Application number.
 - Investor Category – Individual, Corporate, FII, NRI, Mutual Fund, etc.
 - PAN.
 - Depository Participant Identity (“**DP ID**”).
 - Beneficiary account number of the Bidder
 - Numbers of Equity Shares bid for.
 - Price Option
 - Cheque amount.
 - Cheque number.
- (f) 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 Designated Branches.** The registration of the Bid by the member of the Syndicate or the Designated Branches does not guarantee that our Equity Shares shall be allocated/Allotment either by the members of the Syndicate or our Company.
- (g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (h) In case of QIB Bidders (other than QIBs bidding through ASBA), members of the Syndicate 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 listed on page 306 of this RHP. SCSBs shall have no right to reject a bid except on technical grounds.
- (i) The permission given by BSE and NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Promoter, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this RHP; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- (j) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. The members of the Syndicate shall be given one additional Working Day after the Bid/Issue Closing Date to verify the information uploaded on the online IPO system during the Bidding Period after which the Registrar to the Issue shall proceed with the Allotment of Equity Shares, subject to the application amount being realised (in case of Bidders other than ASBA Bidders)
- (k) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of

electronic facilities of the Stock Exchanges.

Build up of the book and revision of Bids

- (a) Bids received from various Bidders through the members of the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLM on a regular basis.
- (c) During the Bidding/Issue Period, any Bidder who has registered his or her interest in our Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.
- (d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and 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 members of the Syndicate and the Designated Branches will not accept incomplete or inaccurate Revision Forms.
- (e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate 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 Rs. 100,000 if the Bidder wants to continue to Bid at Cut-off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 100,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of this RHP. 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 Rs. 5,000 to Rs. 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 SCSB shall block the additional Bid amount. In case of Bidders other than ASBA Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the basis of Allotment.
- (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 members of 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) Based on the demand generated at various price levels, our Company in consultation with the BRLM shall finalise the Issue Price.
- (b) Allocation to Anchor Investors shall be at the discretion of our Company in consultation with the BRLM, subject to compliance with the ICDR Regulations. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. 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
- (c) Under-subscription, if any, in the Non-Institutional Portion and Retail Portion may be met with spill over from any other category at the sole discretion of our Company in consultation with the BRLM. However, if the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than 94,500 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event the aggregate demand in the QIB Portion has been met, under subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. If at least 60% of the Issue is not allocated to QIBs, the entire subscription monies shall be refunded.
- (d) Allocation to Non-Residents, including Eligible NRIs and FIIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- (e) The BRLM, in consultation with our Company, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- (f) QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.
- (g) Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.
- (h) The Basis of Allotment shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) Our Company, the BRLM and the Syndicate Member 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 RHP with the RoC in accordance with the applicable law, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall, after registering the RHP 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 Issue Price. Any material updates between the date of the RHP 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.
- (c) The Issuance of CAN is subject to “Notice to Anchor Investors – Allotment Reconciliation and CANs” as set forth under “**Issue Procedure**” beginning on page 299 of this Red Herring Prospectus.

Notice to Anchor Investors: Allotment Reconciliation and 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 the Company and the BRLMs, selected Anchor Investors will be sent an Anchor Investor Allocation Notice and/or a revised Anchor Investor Allocation Notice, as the case may be. All Anchor Investors will be sent Anchor Investor Allocation Notice post Anchor Investor Bidding Date and in the event that the Issue Price is higher than the Anchor Investor Issue Price, the Anchor Investors will be sent a revised Anchor Investor Allocation Notice within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. 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 Anchor Investor Allocation Notice within the pay-in date referred to in the revised Anchor Investor Allocation Notice. The revised Anchor Investor Allocation Notice will constitute a valid, binding and irrevocable contract (subject to the issue of CAN) for the Anchor Investor to pay the difference between the Issue Price and the Anchor Investor Issue Price. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Anchor Investors who have been Allotted Equity Shares will directly receive CAN. The dispatch of CAN shall be deemed a valid, binding and irrevocable contract for the Allotment of Equity Shares to Anchor Investors.

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.

Designated Date and Allotment of Equity Shares

- (a) Our Company will ensure that (i) Allotment of Equity Shares; (ii) credit to successful Bidder's depository account will be completed within 12 Working Days of the Bid/Issue Closing Date for Retail and Non-Institutional Bidders.
- (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 our 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 ;
- (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 Depository Participant and 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 at a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the

ASBA Bidder for Bidding has a bank account;

- (f). With respect to ASBA Bids ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Bid cum Application Form;
- (g). Ensure that you have been given a TRS for all your Bid options;
- (h). Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB;
- (i). Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
- (j). Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
- (k). Except for Bids submitted on behalf of the Central Government or the State Government and officials appointed by a court, all Bidders should mention their Permanent Account Number (PAN) allotted under the IT Act;
- (l). Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- (m). Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

- (a). Do not Bid for lower than the minimum Bid size;
- (b). Do not Bid/ revise Bid Amount to less than the lower end of the Price Band or higher than the higher end of the Price Band;
- (c). Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate or the SCSB;
- (d). Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
- (e). Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate or the designated branches of the SCSBs only;
- (f). Do not bid at Cut-off Price (for QIB and Non Institutional Bidders);
- (g). Do not Bid for a Bid Amount exceeding Rs. 100,000 (for Bids by Retail Individual Bidders);
- (h). Do not fill up the Bid cum Application Form such that our Equity Shares Bid for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- (i). Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground; and

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bids must be:

1. Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.

2. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.
3. 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 Rs. 100,000.
4. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.
5. For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100 million
6. In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
7. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as "Demographic Details"). These Bank Account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLM or the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund Orders/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company, Escrow Collection Banks nor

the BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN, the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

Our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice or refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non Residents including NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis

Bids and revision to Bids must be made in the following manner:

1. On the Bid cum Application Form or the Revision Form, as applicable (Blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In a single name or joint names (not more than three and in the same order as their Depository Participant Details).
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Bids by Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation.

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.

As per the existing policy of the Government of India, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids under Power of Attorney

In case of Bids (including ASBA Bids) made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250 million 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/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a. With respect to Bids by 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 along with the Bid cum Application Form.
- c. With respect to Bids made by provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250 million, 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 its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

Our Company and the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the RHP and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the 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 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 RHP.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount. In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar 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 Bidder (other than ASBA Bidders) shall draw a cheque or demand draft or, for Anchor Investors, remit the funds electronically through the RTGS mechanism for the entire Bid Amount as per the following terms:

- (a) The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Account(s) and submit the same to the member of the Syndicate. Bid cum Application Forms accompanied by cash, stockinvest, money order or postal order shall not be accepted.
- (b) The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:
 - In case of Resident QIB Bidders: “Escrow Account-Bajaj Corp Public Issue-QIB-R”

- In case of Non Resident QIB Bidders: “Escrow Account- Bajaj Corp Public Issue-QIB-NR”
 - In case of Resident Retail and Non-Institutional Bidders: “Escrow Account- Bajaj Corp Public Issue-R”
 - In case of Non-Resident Retail and Non-Institutional Bidders: “Escrow Account- Bajaj Corp Public Issue-NR”
- (c) In the event of Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price by the Pay-in Date. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them (or unblocked in their ASBA Accounts, in case of ASBA Bids).
- (d) Our Company in consultation with the BRLM, in their absolute discretion, shall decide the list of Anchor Investors to whom the Anchor Investor Allocation Notice shall be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names shall be notified to such Anchor Investors. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:
- In case of resident Anchor Investors: “Escrow Account - Bajaj Corp Public Issue-Anchor Investor-R”
 - In case of non-resident Anchor Investors: “Escrow Account-Bajaj Corp Public Issue-Anchor Investor-NR ”
- (e) 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 NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
- (f) In case of Bids by NRIs applying on non-repatriation basis, the payments may be made out of an NRO Account of a Non-Resident Bidder.
- (g) In case of Bids by FIIs or FVCIs the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
- (h) The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders until the Designated Date.
- (i) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
- (j) Within 12 Working Days from the Bid/Issue Closing Date for Retail and Non-Institutional Bidders, the Registrar to the Issue shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.
- (k) Payments should be made by cheque, or demand draft drawn on any bank (including a cooperative Bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash, stockinvest, money orders or postal orders will not be accepted.

- (l) In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.
- (m) Bidders are advised to mention the number of the Bid cum Application Form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

Payment by stockinvest

In terms of Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.001/2003-04 dated November 5, 2003, the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of bid money has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Payment by cash/ / money order

Payment through cash/ stockinvest/ money order shall not be accepted in this Issue.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid. With respect to ASBA Bidders, the ASBA Bid cum Application Form or the ASBA Revision Form shall be submitted to the Designated Branches.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

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.

After Bidding on an ASBA Bid cum Application Form either in physical or electronic mode, where such ASBA Bid has been submitted to the Designated Branches of SCSBs and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form. Submission of a second Bid cum Application Form, whether an ASBA Bid cum Application Form, to either the same or to another Designated Branch of the SCSB, or a Non-ASBA Bid cum Application Form, will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the ASBA Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in “-Build up of the Book and Revision of Bids”.

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs shall not accept a total of more than five ASBA Bid cum Application Forms from such ASBA Bidders

with respect to any single ASBA Account.

Photocopies or duplicate copies of ASBA Bid cum Application Forms downloaded and printed from the website of the Stock Exchanges bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. A check would be carried out for the same PAN. In cases where the PAN is same, such bids would 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 Permanent Account Number (PAN) allotted under the Income Tax 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 Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made by 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 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 should note that incomplete Bid cum Application forms and Bid cum Application Forms that are not legible will be rejected by the members of the Syndicate or the SCSBs. 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 Bid cum Application Form does not tally with the amount payable for the value of our Equity Shares Bid for;
- Age of First Bidder not given;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors,;
- 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 lower end of the Price Band;
- Bids at a price more than the higher end of the Price Band;
- Submission of more than five ASBA Bid cum Application Forms per bank account;
- Bids at Cut-off Price by Non-Institutional and QIB Bidders.

- Bids for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Bids as defined in this RHP;
- 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;
- Signature of sole and / or joint Bidders missing. With respect to ASBA Bids, the Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;
- Bid cum Application Forms does not have the stamp of the BRLM or Syndicate Member or the SCSB, except for ASBA Bid cum Application Forms downloaded from the websites of the Stock Exchanges, in which case the ASBA Bid cum Application Forms shall bear a unique application number;
- 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 this RHP and as per the instructions in the RHP 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 Bid cum Application 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 in respect whereof the Bid cum Application Form do not reach the Registrar to the Issue prior to the finalisation of the Basis of Allotment;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Bids by persons in the United States excluding U.S. QIBs as defined in Rule 144A of the Securities Act;
- Bids by multilateral and bilateral development institutions;
- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- ASBA Applications made by using duplicate copy of ASBA Bid cum Application Form downloaded from the website of the Stock Exchanges (i.e. two ASBA Bid cum Application Forms bearing the same unique application number).

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 1,350,000 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 1,350,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 1,350,000 Equity Shares. For the method of proportionate basis of Allotment, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 450,000 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 450,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 450,000 Equity Shares. For the method of proportionate basis of Allotment refer below.

C. For QIBs

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.
- The 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 Mutual Fund Bids 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 for up to 95% of the QIB Portion.

- (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
 - (iii) Under-subscription below 5% of the QIB Portion (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 2,700,000 Equity Shares

D. 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:
 - not more than 30% of the QIB Portion will be allocated to Anchor Investors;
 - 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;
 - allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation upto Rs. 2,500 million and minimum number of five Anchor Investors for allocation more than Rs. 2,500 million.
- 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 Stock Exchanges.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, our Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorised according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:
 - (a) The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is as far as possible, equal to the number of Equity Shares calculated in accordance with (b) above; and
 - (b) Each successful Bidder shall be allotted a minimum of [●] Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that

decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.

- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.
- g) Subject to valid Bids being received, allocation of Equity Shares to Anchor Investors shall be at the sole discretion of our Company, in consultation with the BRLM.

Illustration of Allotment to QIBs and Mutual Funds (“MF”)

A. Issue Details

Sr. No.	Particulars	Issue details
1.	Issue size	200 million equity shares
2.	Allocation to QIB (60%)	120 million equity shares
3.	Anchor Investor Portion	36 million equity shares
4.	Portion available to QIBs other than Anchor Investors [(2) minus (3)]	84 million equity shares
	Of which:	
	a. Allocation to MF (5%)	4.20 million equity shares
	b. Balance for all QIBs including MFs	79.8 million equity shares
3	No. of QIB applicants	10
4	No. of shares applied for	500 million equity shares

B. Details of QIB Bids

Sr. No.	Type of QIB bidders [#]	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	500

[#] A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 4.20 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 79.80 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
A1	50	0	8.05	0
A2	20	0	3.22	0
A3	130	0	20.92	0
A4	50	0	8.05	0
A5	50	0	8.05	0
MF1	40	0.84	6.30	7.14
MF2	40	0.84	6.30	7.14

Type of QIB bidders	Shares bid for	Allocation of 4.20 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 79.80 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
MF3	80	1.68	12.61	14.29
MF4	20	0.42	3.15	3.57
MF5	20	0.42	3.15	3.57
	500	4.20	79.80	35.71

Please note:

1. The illustration presumes compliance with the requirements specified in the section titled “Issue Structure” beginning on page 281 of this RHP.
2. Out of 84 million equity shares allocated to QIBs, 4.2 million (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 million equity shares in QIB category.
3. The balance 79.80 million equity shares (i.e. 84 - 4.2 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 million equity shares (including five MF applicants who applied for 200 million equity shares).
4. The figures in the fourth column entitled “Allocation of balance 79.80 million Equity Shares to QIBs proportionately” in the above illustration are arrived as under:
 - For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 79.80 / 495.80.
 - 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 79.80 / 495.80.
 - The numerator and denominator for arriving at allocation of 84 million shares to the 10 QIBs are reduced by 4.2 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

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 to the Issue:

- Agreement dated March 18, 2010, between NSDL, our Company and the Registrar to the Issue;
- Agreement dated March 23, 2010, between CDSL, our Company and the Registrar to the Issue.

All Bidders can seek allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- (a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- (b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s identification number) appearing in the Bid cum Application Form or Revision Form.
- (c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder

- (d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- (f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
- (g) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- (h) The trading of Equity Shares of our Company would be in dematerialised form only for all investors 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 to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of bid form, name and address of the member of the Syndicate or the Designated Branch 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.

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

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 to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

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. ECS – Payment of refund would be done through ECS 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 or RTGS.
2. Direct Credit – Applicants having bank accounts with the Refund Bank (s), as per the demographic details received from the Depositories, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.
3. RTGS – Applicants having a bank account at any of the abovementioned centres and whose refund amount exceeds Rs. 1 million, shall be eligible to receive refund through RTGS provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the

Bidder's bank which can be mapped with the RBI data to obtain the corresponding IFSC code. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. NEFT – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a 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 under certificate of posting for value upto Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

In case of ASBA Bidders, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 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 two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 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/ 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 seven working days of Allotment.

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;
- 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; and

Our Company shall pay interest at 15% per annum for any delay beyond the time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed

manner and/or demat credits are not made to investors within 15 days from the Bid/Issue Closing Date. If such money is not repaid within 15 days from the Bid/Issue Closing Date, the Company and every Director of the Company who is an officer in default shall be jointly and severally liable to repay the money with interest as prescribed under sub-section (2) and (2A) of section 73 of the Companies Act

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,**

shall be punishable with imprisonment for a term which may extend to five years.”

Letters of Allotment or Refund Orders or instructions to the SCSBs

Our Company shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allotment. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. Our Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500, by “Under Certificate of Posting”, and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder’s sole risk within 15 days of the Bid Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 working days of closure of Bid. In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 working days of the Bid Closing Date.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where our Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;
- 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 the Issuer;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Bid/ Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the Promoters’ contribution in full has already been brought in;
- That the certificates of the securities/ refund orders to the non-resident Indians shall be despatched within specified time;
- That no further issue of Equity Shares shall be made till our Equity Shares offered through the RHP are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and

- That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Our Company shall not have recourse to the Issue proceeds until the approval for trading of our Equity Shares from all the Stock Exchanges where listing is sought has been received.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid Closing Date, providing reasons for not proceeding with the Issue. Our Company shall also inform the same to Stock Exchanges on which our Equity Shares are proposed to be listed.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

Utilisation of Issue proceeds

Our Board of Directors certify that:

- All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under Promoters' contribution shall be disclosed under a separate head in the balance sheet of the issuer indicating the form in which such unutilised monies have been invested.

SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

SHARE CAPITAL

4. The Authorised Share Capital of the Company is as laid down in Clause V of Memorandum of Association of the Company.
5.
 - a) The Company in general meeting may, from time to time by Ordinary Resolution increase the authorised share capital by the creation of new shares, such increase to be of such aggregate amount and of such classes & to be divided into shares of such respective amounts as the resolution shall prescribe.
 - b) Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Company in general meeting 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 meetings of the Company in conformity with Sections 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 Sections 97 of the Act.
6. Except, so far as otherwise provided by the conditions of issue or by these Articles, 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 installment, forfeiture, lien, surrender transfer and transmission voting and otherwise.
7. Subject to the provisions of Section 80 of the Act any such new shares may be issued as preference shares which are or at the option of the Company are to be liable to be redeemed, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption subject however to the following conditions :
 - a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of fresh issue of shares made for the purpose of redemption.
 - b) no such shares shall be redeemed unless they are fully paid up.
 - c) the premium, if any payable on redemption shall have been provided for out of the profits of the company or the company's share premium account before the shares are redeemed.
 - d) where any such shares are redeemed otherwise than 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 Capitals 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.
 - e) Subject to the provisions of Section 80 of the Act, the redemption of preference share here under 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 determine.
 - f) Whenever the Company shall redeem any Redeemable Preference Shares, the Company shall, within one month thereafter, give notice thereof to the Registrar of Companies as required by Section 95 of the Act.
8. Subject to the provisions of Section 78, 80 and 100 to 105 of the Act, the Company may from time to time, by Special Resolution reduce its capital 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. The Article is not to derogate from any power the Company would have it if were omitted.

9. Subject to the provisions of Section 94, the Company shall have power to alter the condition of its Memorandum of Association as follows, that is to say, it may by Ordinary Resolution:
- i) increase its share capital by such amount as it thinks expedient by issuing new shares;
 - ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - iii) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination.
 - iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
 - v) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

10. The company in general meeting may convert any paid up shares into stock; and when any shares shall have been converted into stock, auditorium several holders of such stock may hence forth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as and subject to which shares from which the stock arise might have been transferred, if no conversion and taken place, or as near thereto as circumstance will admit. The company may at any time reconvert any stock into paid up shares of any denomination.
11. The holders of stock shall according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the company and other matters as if they held the shares from which the stock arise, but no such privileges or advantages (except participation in the dividends and profits of the company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MODIFICATION OF CLASS RIGHTS

12. If at any time the share 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 Section 106 and 107 of the Act, and whether or not the Company is being wound up, be varied modified abrogated or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to general meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.
13. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly prohibited by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

14. The shares in the capital shall be numbered progressively according to their several denominations, provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised and except in the manner hereinbefore mentioned, no share shall be subdivided.
- a) 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:

- (i) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
 - (ii) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;
 - (iv) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
- b) Notwithstanding anything contained in sub-clause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.
- (i) If a special resolution to that effect is passed by the company in general meeting, or
 - (ii) Where no such 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 so to do, 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.
- c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:
- (i) To extend the time within which the offer should be accepted; or
 - (ii) To authorize 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.
- d) 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:
- (i) To convert such debentures or loans into shares in the company; or
 - (ii) To subscribe for shares in the company

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:

- (i) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (ii) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

15. 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 of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.
16. Any application signed by the applicant for shares in the Company, followed by an allotment; of any share therein shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of the Act and these Articles, be a Member of the Company.
17. 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 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.
18. Every member or his heirs, executor or administrators shall pay to the Company the portion of the capital represented by his share or shares 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 regulations, require or fix for the payment thereof.

BUY BACK OF SHARES

19. Subject to the provisions of the Act, the Company may pass special resolution in general meeting for the purpose of buy-back or purchase of its own shares out of the moneys forming part of its free reserves; or out of the securities premium account; or out of the proceeds of any shares or other specified securities. The buy back of shares shall be effected in accordance with provision of section 77A and 77B of the Act and rules prescribed by the Central Government or by Securities and Exchange Board of India in this regard.

SHARE CERTIFICATE

20. a) A certificate with Common Seal of the Company specifying any shares held by any Member shall be prima facie evidence of the title of the Member to such shares.
- b) The certificates of title to shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) Two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and (ii) the Secretary or some other persons - appointed by the Board for the purpose; provided that if the composition of the Board permits of it a least one of the aforesaid two Directors shall be a person other than a Managing Director or Whole-time Director. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography. PROVIDED ALWAYS that notwithstanding anything contained in this Articles the certificates of title to shares may be executed and issued in accordance with such other provision of the Act or the Rules made thereunder as may be in force for the time being and from time to time.
- c) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act and to offer its shares, debentures and other securities for subscription in a dematerialised form. The Company shall

further be entitled to maintain a Register of Members and Register of Debenture holders holding shares, debentures or other securities both in material and dematerialised form in any medium as permitted by law including any form of electronic medium.

21.
 - a) Every member or allottee of Shares shall be entitled without payment to receive one certificate or more certificates in marketable lots for all the shares registered in his name. For every further certificate the Board of Directors shall be entitled but shall not be bound to prescribe a charge not exceeding one rupee. Every certificates 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.
 - b) The Company shall unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any such shares or debentures complete and have ready for delivery the certificate of all shares and debentures allotted or transferred, transmitted, sub-divided, consolidated or renewed.
22. The Company may issue such fractional certificate as the Board of Directors may approve in respect of any of the shares of the Company on such terms as the Board of Directors think fit as to the period within which the fractional certificates are to be converted into share certificates.
23. 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 Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation 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.
24. If any share stands in the name of two or more persons, the person first named in the Register shall as regards receipt of dividends or cash bonus, or service of notices or any other matter connected with the Company except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares and for all incidents thereof accordingly to the Company's regulations.
25. The certificate of shares registered in the name of two or more persons shall be delivered to the persons first named in the Register.
26.
 - a) Notwithstanding anything contained in Section 153 of the Act, any person whose name is entered in the Register of Members of the Company as the holder of the share in the Company, but does not hold the beneficial interest in such share, shall, within such time and in such form, as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person who holds the beneficial interest in such share.

- b) Where any declaration is made to the Company, as aforementioned the Company shall make a note as such declaration, in its register of members and shall file, within thirty days from the date of receipt of the declaration by it a return to the prescribed form with the Registrar with regard to such declaration.
 - c) The Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the Beneficial Owner of shares in the records of the Depository, as the absolute owner thereof, and accordingly, shall not except as ordered by a Court of competent jurisdiction or by statute or the Act required, be bound to recognise any equitable beneficial or other claim to or interest in such share on the part of any other person.
27. No member who shall change his name or who, being a female, shall marry, shall be entitled to recover any dividend or to vote in the name other than the one registered with the Company, until notice of the change of name or of marriage, respectively, is given to the Company in order that the same be registered after production of satisfactory evidence.
28. Save as otherwise provided by Section 77 of the Act, the funds of the Company shall be applied in the purchase of or in lending on security of any share of the Company.

UNDERWRITING, BROKERAGE AND COMMISSION

29. a) Subject to the provisions of Section 76 of the Act of the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolute or conditionally) or procuring or agreeing to procure subscriptions (whether absolute or conditionally) for any shares or debentures of the Company, such commission shall not exceed 5% on the nominal value of the share or 2.5% on the nominal value of debentures in each subscribe or to be subscribed.
- b) The Company may also, on any issue of shares or debentures pay such brokerage as may be lawful.

INTEREST OUT OF CAPITAL

30. Where any shares are issued for purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant, which cannot be made profitable for a lengthy period of Company:
- a) may pay interest on so much of that share capital and 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
 - b) may charge the same to the capital as part of the cost of construction of the work or building or the provision of the plant.

CALL

31. 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 the Board make such calls as may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board. A call may be made payable by installments. Option or right to Call of Shares shall not be given to any person or persons without the sanction of the Company in General Meeting.
32. Not less than fifteen days' notice of any call shall be given by the company specifying the time and place of payment, and the person or persons to whom such calls shall be paid; provided that before the

time for payment of such call the Board of Directors may by notice in writing to the members, revoke the same or extend the time for payment thereof.

33. If by the terms of issue of any shares or otherwise any amount is made payable at any fixed time or by installment at fixed times (whether on account of the amount of the share capital or by ways of premium) every such amount or installment shall be payable as if were a call duly made by the Board of Directors and of such due notice had been given and all the provisions herein contained in respect of calls shall relate and apply to such amount or premium or installment accordingly.
34. 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.
35. If the sum payment in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of nine per cent per annum from the date appointed for the payment thereof to the time of the actual payment, or at such other rate as the Board of Directors may from time to time determine. The Board of Directors may however in their absolute discretion forego payment of any interest wherein their opinion the circumstances so justify.
36. On the trial or hearing of any action or suit brought by the company against any member or his 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 appears enter on the Register of Members of the Company as the holder, at or subsequently to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered: that the resolution making the call is duly recorded in the minute book, and that notice of such call duly given to the member or his representative sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which may call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
37. 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, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
38. 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.

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.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

FOREFEITURE AND LIEN

39. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter while the call or 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 have been incurred by the Company by reason of such non-repayment.
40. The notice shall name the day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the calls was made or installment is payable, will be liable to be forfeited.
41. If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter and before payment of all calls or installments, interest 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 in respect of the forfeited shares and not actually paid before the forfeiture.
42. 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.
43. 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 thereof or to any other person, upon such terms and in such manner as the Board of Directors may think fit.
44. The Board of Directors may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of annual the forfeiture thereof upon such conditions as it think fit.
45. Any member whose share shall 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 forfeiture until payment at such rate not exceeding 9 per cent per annum or such other rate as the Board of Directors may determine, and the Board of Directors may enforce the payment thereof, or any part thereof, if it thinks fit.
46.
 - a) The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands 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 presents are expressly saved.
 - b) A declaration in writing that the declarant is a Director or Secretary of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
47. That fully paid shares / debentures shall be free from all lien. The company shall have a first and paramount lien upon all the shares / debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof 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 to be exempt from the provisions of this clause.

48. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit; but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served as provided for service of documents in these Articles on such members, his heirs, executors or administrators and default shall have been made by him or them in the payment, fulfillment, or discharge of such debts, liabilities, or engagements for seven days after such notice. To give effect to any such sale, the Board may authorise some person to execute an instrument of transfer in respect of the shares sold and to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale aforesaid the certificates in respect of the shares sold shall 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 lieu thereof to the Purchaser or purchasers concerned.
49. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards satisfaction of the debts, liabilities, or engagements of such member and the residue (if any) or the short fall (if any) shall be paid to or recovered from him, his heirs, executors, administrators or assignees, as the case may be.
50. a) Upon any sale after forfeiture or the enforcing a lien in purported exercise of the powers hereinabove given, the Board of Directors may cause the Purchaser's name to be entered in the Register in respect of the shares sold, and the Purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale and of the entry in the Register in respect of the shares sold shall not be impeached by any person, and the remedy (if any) of any person aggrieved by the sale be in damages only and against the Company exclusive.
- b) Upon any sale, re-allotment or other disposal under the provisions of the proceedings Articles, the certificate or certificates originally issued in respect of the relative 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 where any shares under the powers in that behalf herein contained are sold by the Board of Directors and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board of Directors may issue a new certificate for such shares distinguishing it in such manner as it may think fit from the certificate not so delivered up.
51. The provisions of the Articles as to forfeiture shall apply in the case of non-payment of any sum which by terms of the issue of a share becomes payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

52. The Company shall keep a book, to be called "Register of Transfer", and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of shares.
53. No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company in the prescribed form and in accordance with the provisions of the Act. There shall be a common form of transfer for shares. 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. Every such instrument of transfer shall be duly stamped and executed both by the transferor and the transferee and attested. The transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register in respect thereof.

54. a) 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. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
- b) The Board of Directors shall be entitled to decline to register more than three persons as the Joint holders of any shares.
- c) No transfer shall be made to a person of unsound mind or a partnership firm.
55. 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 however, that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the Company shall:

- a) transfer the dividend in relation to such shares to the special account referred to in Section 203 A unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer: and
- b) keep in abeyance to relation to such shares any offer of rights shares under clause (a) of the sub-section (1) of section 81 and of any issue of fully paid-up bonus shares in pursuance of sub-section (3) of Section 205.
56. a) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the certificate or certificates of the shares to be transferred, and such other evidence as the Board of Directors 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 of Directors shall from time to time prescribe.
- b) Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. But any instrument of transfer which the Board of Directors may decline to register shall, on demand, be returned to the person depositing the same.
57. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
58. The Board of Directors shall have power of giving not less than seven days previous notice by advertisement in some newspaper circulating in the state in which the Company's Registered Office is situated to close the Register of transfer, the Register of Members and/ or the Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as the Board may deem expedient.
59. The executors or administrators of a deceased member shall be the only persons recognised by the Company as having any title to his share except in case of joint holders, in which case the surviving holder or holders or the executors or administrators of the last surviving holders shall be the only persons entitled to be recognised; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him. The Company shall not be bound to recognise such executor or administrator unless he shall have first obtained Probate or Letters of Administration or other legal representation as the case may be, from a duly Constituted Court in India to grant such Probate or Letters of Administration. Provided nevertheless that in cases, which the Board in its discretion consider to be special cases and in such cases only, it shall be lawful for the Board of Directors to dispense with the production of Probate or Letters of Administration or a

Succession Certificate upon such terms as to indemnity publication of notice or otherwise as the Board of Directors may, deem fit.

60. Subject to the provisions of these Articles any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board of Directors (which the Board 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 the Article, or of his title, as the Board of Directors think sufficient, be registered as a member in respect of such shares, or may, subject to the regulations as to transfer hereinabove contained, transfer such shares. This clause is hereinafter referred to as "The Transmission Clause".
61. The Board of Directors shall have the same right to refuse to register a person entitled by the transmission to any shares or his nominee, as if he were the transferee named in any ordinary instrument of transfer presented for registration.
62. 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) to the prejudice of a 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 or record of the Company, and the Company shall not be bound or required to regard to attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, notwithstanding that the notice may have been entered in or referred to in some book or record 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 of Directors shall so think fit.
63. The provision of these Articles shall mutatis mutandis apply to the transfer of or the transmission by operation of law the right to Debentures of the Company.
64.
 - a) In case of transfer of shares or any other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provision of the Depositories Act shall apply.
 - b) The provisions relating to instrument of transfer shall not apply to the shares of the Company which have been dematerialized.

DEMATERIALISATION OF SHARES

65.
 - a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities held in the Depositories and / or offer its Securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996.
 - b) Notwithstanding anything contained in the sub-sec (1) of Section 113 of the Act, where the Securities are dealt with in a Depository, the Company shall intimate the details thereof to the Depository immediately on the allotment of such Securities as far as practicable.
 - c) All securities held by a depository shall be dematerialised and be in fungible form.
 - d) Notwithstanding anything contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held by a Depository. No certificate shall be issued for the Securities held by Depository.
 - e) Notwithstanding anything contained in these Articles, in the case of transfer or transmission of the Securities where the Company has not issued any certificates and where such Securities are being held in electronic and fungible form by a Depository, the provisions of the Depositories Act, 1996 shall apply. The Company shall not be required to maintain "Register of Transfers" for entering particulars of transfer and transmission of securities in dematerialised form.

- f) Notwithstanding anything contained in the Act or in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf a Beneficial Owner. Save as otherwise provided herein above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all liabilities in respect of its Securities held by a Depository.
- g) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the Securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future, or partial interest in any Security or (Except only as is by these Articles otherwise expressly provided) any right in respect of a Security other than absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.
- h) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial owners in the records of Depository.
- i) Notwithstanding anything contained in the Act or in these Articles, the Company can hold investments in the name of a Depository when such investments are in the form of Securities held by the Company as Beneficial Owner.
- j) The Company shall caused to be kept a Register and Index of Members in accordance with Section 150, 151 of the Act and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of members for the purpose of the Act. The Company shall have the power to keep in any State or Country outside India a branch Register of Members resident in that State or Country”.

BORROWING POWERS

- 66.
 - a) Subject to the provisions of Sections 58A, 58B, 292 and 293 of the Act, and these Articles, the Board of Directors may from time to time at its discretion by a resolution passed by a Meeting of the Board, accept deposits from the public and may generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, however, 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 the specific purpose) the Board of Directors shall not borrow such moneys without the consent of the Company in general meeting.
 - b) The Company may invite or renew either from the public or from its members deposits upto the limit and in the manner and subject to the rules and conditions prescribed by the Central Government as contemplated by Sections 58A and 58B of the Act.
- 67. Subject to the provisions of the Act and these Articles the payment or payment of moneys borrowed aforesaid may be secured in such manner and upon such terms and conditions in all respect as the Board of Directors may think fit, and in particular, pursuant to a Resolution passed at a meeting of the Board (and not passed by a circular resolution) by the issue of bonds perpetual or redeemable debentures or debenture-stock of the Company, or any mortgage or charge or other security upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
- 68. 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 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.

69. a) If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board of Directors shall 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 is executed or, if permitted by the Act may, by instrument under the Company's Seal, authorise the person in whose favour such mortgage or security is executed or any other person in Trust for him, to make calls on the members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to calls, shall, mutatis, mutandis, apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and other presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- b) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.

70. Subject to the provisions of the Act and these Articles if the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company by reason of furnishing any guarantee or otherwise the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by ways of security or indemnity to secure the Directors or persons so becoming liable as aforesaid from and against any loss in respect of such liability arising out of the said guarantee.

GENERAL MEETING

71. The Annual General Meeting shall be held in accordance with section 166 of the Act and shall be called for a time during business hours, on a day that is not a public holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town where the Registered Office of the Company is situated as the Board of Directors may determine and the notice calling the meeting shall specify it as the Annual General Meeting.
72. Every member of the Company shall be entitled to attend every general meeting either in person or by proxy, and the Auditor of the Company shall have the right to attend and to be heard at any general meeting on any part of the business which concerns him as Auditor.
73. At every Annual General Meeting of the Company there shall be laid on the table the Director's Reports and audited statement of accounts, auditor's report (if not already incorporated in the audited statement of accounts), the proxies lodged and the Register of Director's holdings maintained under Section 307 of the Act. The Auditor's report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.
74. All General Meetings other than Annual General Meetings shall be called Extra ordinary General Meeting.
75. The Board may, whenever it thinks fit, call an Extra Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, any Director may call on Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board at such time and place as he may determine.
76. The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in sub-section (4) of Section 169 of the Act, forthwith proceed duly to call an Extraordinary General Meeting of the Company, and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 169 of the Act and of any statutory modification of re-enactment thereof for the time being shall apply.
77. A General Meeting of the Company may be called by giving not less than 21 days notice in writing. However, a General Meeting may be called after giving a shorter notice than 21 days, if consent is accorded thereto :-
- i) In the case of an Annual General Meeting, by all the members entitled to vote thereat; and

- ii) In the case of any other meeting, by members of the Company holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives them a right to vote at that meeting.

Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be passed at the meeting and not on the others, those members shall be taken into account for the purpose of this Article in respect of the former resolutions but not in respect of the latter.

78. Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been specially mentioned in the notice or notices upon which it was convened.

79. 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 :-

- i) the consideration of the accounts, balance sheet and profit and loss account and the reports of the Board of Directors and of the auditors.
- ii) the declaration of a dividend;
- iii) the appointment of Directors in the place of those retiring; and
- iv) the appointment of and, the fixing of the remuneration of the auditors; in the case of any other meeting all business shall be deemed special.

b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid; there shall be annexed to the notice of the meeting a statement setting out all material facts regarding each such item of business including in particular, the nature and extent of the interest if any, therein of every Director and the Manager, if any, of the Company.

Provided, that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other Company, the extent of shareholding interest in that other Company, of every Director and the Manager, if any, of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than twenty per cent of the paid-up share capital of that other Company.

c) Where any item of business to be transacted at any general meeting of the Company consists of the according of approval of any document, the time and place where the document can be inspected shall be specified in the statement aforesaid.

80. A document may be served by the Company on any member thereof either personally, or by sending it by post to his registered address, or if he has no registered address in India, to the address if any, within India supplied by him to the Company for the giving of notice to and serving of documents on him. Notice shall be given to the persons entitled to the share in consequence of the death or insolvency of a member, by sending through the post in a pre-paid letter, addressed to them by name or by the title of the representatives of the deceased or Assignees of the insolvent or by any like description, at the address in India, if any, supplied for the purpose by the persons claiming to be so entitled or, unless such an address has been so supplied, by giving the notice in any manner in which it might have been if the death or insolvency had not occurred. Provided that where the notice of a Meeting is given by advertising the same in a newspaper circulating in a neighborhood of the registered office of the Company under sub-section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the company.

81. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in any manner set out as above for giving notice to any member or members of the Company.

82. The accidental omission to give notice of any meeting to or the non receipt of any notice by any member or their person to whom it should be given shall not invalidate the proceedings at the meeting.
83. Where by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice in respect of the same shall be given to the Company and by the Company as provided in Section 190 of the Act.

VIDEO CONFERENCING AND TELE-CONFERENCING

84. The Company may hold the meeting of its Board of Directors and committees through video conferencing and tele-conferencing subject to the provisions of the Act as may be applicable from time to time.

PROCEEDINGS OF GENERAL MEETINGS

85. Five members personally present shall be a quorum for a General Meeting. No business shall be transferred at any general meeting unless quorum requisite shall be present at the commencement of the business.
86. The Chairman and in the absence, the Vice Chairman if any, of the Board of Directors shall be entitled to take the chair at every General Meeting. If there be no such Chairman or if at any meeting he or the Vice-chairman, if any shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one of themselves to be Chairman and in default of their doing so, the members present shall choose a Director as Chairman, and if no Director is present or if all the Directors present decline to take the Chair, then the members present shall choose one of themselves to be Chairman.

If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of these Articles, the Chairman elected on a show of hands exercising all the powers of the Chairman for the purpose of conducting the poll, under the said provisions. If some other person is elected Chairman as result of the poll, he shall be Chairman for the rest of the meeting.

87. a) If within half an hour from the time appointed for the meeting of the Company a quorum is not present, the meeting, if convened upon the requisition of members, shall stand dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place as the Board may determine.
- b) If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, those members who are present shall be a quorum and may transact the business for which the meeting was called.
88. Every question submitted to a General Meeting and every resolution in to the vote at a General Meeting, unless a poll is demanded as hereinafter provided, be in the first instance decided by a show of hands.
89. A declaration by the Chairman that on a show of hands a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
90. i) At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of voting on the show of hands) ordered to be taken by the Chairman of the meeting of his own motion, or is ordered to be taken by him on a demand being made in that behalf by any member or members present to person or by proxy and holding shares in the Company;
- a) 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
- b) on which an aggregate sum of not less than rupees fifty thousand has been paid up.

A declaration by the Chairman that a resolution has, on show of hands, been carried unanimously or by a particular majority, or lost and an entry to the effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without further proof of the number or proportion of the votes recorded in favour of or against that resolution.

- ii) A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person who made the demand.
91. i) A poll demanded on a question of adjournment shall be taken forthwith.
- ii) A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in the Articles 86 hereof) shall be taken at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct.
92. The Chairman of a General Meeting may, with the consent of the Meeting, adjourn the same from time to time and from place to place, but not business shall be transacted at any adjourned meeting other than business left unfinished at the meeting at which the adjournment took place.
93. On a poll taken at a meeting of the Company, a member entitled for 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.
94. i) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.
- ii) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineers arising from such removal or from any other cause.
- iii) Of the two scrutineers, appointed under this Article one shall always be a member (not being as officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.
95. a) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting by show of hands. The Chairman present at the taking of a poll shall be the judge of the validity of every vote tendered at such poll.
- b) i) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken.
- ii) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
- c) In the case of any equity of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or vote to which he may be entitled as member.
96. Where a resolution is passed at an adjourned meeting of:
- a) The Company; or
- b) the holders of any class of shares in the company; the resolution shall, for all purposes, be 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.
97. A copy of each of the following resolutions together with a copy of the statement of material facts annexed under Section 173 to the notice of the meeting in which such resolution has been passed, or

agreements shall, be printed or typewritten and duly certified under the signature of a officer of the Company and filed with the Registrar within the time prescribed under the Act.

- a) Special Resolution
- b) Resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as Special Resolutions;
- c) Resolutions of the Board or agreements relating to the appointment, re-appointment or the renewal of the appointment or variations of the term of appointment of a Managing Director;
- d) Resolutions or agreements which have been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority and all resolutions or agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members.
- e) Resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub section 1 of Section 484 of the Act;
- f) Resolutions passed by the Company according consent to the exercise by its Board of Directors of any of the powers under clause (a), clause(d) and clause (e) of subsection (i) of Section 293 of the Act;
- g) Resolutions passed by the Company approving the appointments of sole selling agents under section 294 or 294AA of the Act;
- h) Copies of the terms and conditions of appointment of a sole selling agent appointed under section 294 or of a sole selling agent other person appointed under section 294AA.

A copy of every resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in the above sub-clause (a), (d) and (e) shall be embodied in or annexed to every copy of the Articles issued after the passing of the resolution or the making of the agreement.

- 98. The company shall cause minutes of the proceedings of every general meeting to be entered in the book kept for the purpose and the minutes shall contain and include the matters specified in section 193 of the Act.
- 99. 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.

VOTES OF MEMBERS

- 100. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorized under section 187 of the Act.
- 101. Subject to the provisions of the Act and these Articles upon a show of hand every member entitled to vote and present in person (including a body corporate present by a representative duly authorized in accordance with the provisions of Section 187 of the Act and Article 100) or by Attorney shall have one vote.
- 102. No member not personally present shall be entitled to vote on a show of hands unless such member is present by Attorney or unless such member is a body corporate present by a representative duly authorized under Section 187 of the Act in which case such Attorney or representative may vote on a show of hands as if he were a member of the Company.
- 103. Any person entitled under the Transmission Clause (Article 60 hereof) to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were 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 the proposes to vote, he shall satisfy the Board of Directors or any person authorized by the Board of Directors in that behalf of his right to transfer such shares, unless the Directors shall have previously admitted his right to transfer such shares or his right to vote at such meeting in respect thereof.

104. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting either personally or by Attorney duly authorized under Power of Attorney or by proxy in respect of such shares as if he were solely entitled thereto; and if more than one of such joint-holders be personally present at any meeting then one of the said persons so present whose name stands first or higher on the Register in respect of such share shall alone be entitled to vote in respect thereof.
105.
 - a) Any member 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 on a poll instead of himself, but a proxy so appointed shall not have any right to speak at the meeting.
 - b) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorized in writing or, if such appointer is a corporation, under its common seal or the hand of an officer of an attorney duly authorized by it.
106.
 - a) Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.
 - b) A member presenting proxy shall be entitled to vote only on a poll.
107. The instrument appointing a proxy and the power of Attorney or other authority (if any) under which it is signed or a notarially certified copy thereof shall be deposited at the Registered Office of the company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll, in default of which the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
108. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company or by the Chairman of the meeting at which the vote is given.
109. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
110. Every member entitled to vote at a meeting of the company according to the provisions of these Articles of any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days notice in writing to the intention so to inspect is given to the company.
111. No member shall be entitled to vote at any general meeting either personally or by proxy or as proxy for another member or be reckoned in a quorum while any call or other sum shall be due and payable to the company in respect of any the share of such member or in respect of any shares on which the company has or had exercised any right or lien.

DIRECTORS

112.
 - a) Until otherwise determined by a General Meeting, and approved by the Central Government and subject to Section 252 of the Act the number of Directors shall not be less than 3 (three) nor more than Twelve excluding any Debenture Director.
 - b) The first Directors of the Company were :

1. Mr. Sunil Kumar Avasthi

2. Mr. Rajiv Gandhi

113. The Company shall, subject to the provisions of the Act, be entitled to agree with any person; firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the company may deem fit. Such nominee and their successor in office appointed under this Article shall be called Special Directors of the Company.

The Special Directors appointed under this Article shall be entitled to hold office until requested to retire by the Government, Financial Institution, person, firm or corporation who may have appointed them and will not be bound to retire by rotation or be subject to Article 128 and 129 of the Articles of Association of the Company. A Special Director shall also not require to hold any qualification shares. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the Government, Financial Institution, person, firm or corporation who appointed such Special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same obligation as any other Director of the Company.

NOMINEE DIRECTOR

114. a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys, remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI). The Industrial Reconstruction Corporation of India Limited. (IRCI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India(GIC), National Insurance Company Limited (NIC), The Oriental Fire and General Insurance Limited(OFGI), The New India Assurance Company Limited (NIA), United India Insurance Company limited (UI) or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or by Government or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Articles referred to as “the Corporation”) out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, 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 person or persons so appointed and to appoint any person or persons in his or their place(s).
- b) The Board of Directors of the Company shall have no power to remove from office the Nominee/Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Director/s. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- 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 or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement or so long as the holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys, owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures, shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

- d) The Nominee Director/s appointed under this Article shall be entitled to receive all notice of and attend all General Meeting, Board Meetings and of 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 notice and minutes.
- e) The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commissions, moneys and remuneration in relation to such Nominee Director/s shall accrue to the corporation and 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 further that if any such Nominee Director(s) is an officer of the Corporation the setting 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 Corporation.

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 powers 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 the borrower. Such Nominee Director's shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

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 also that in the event of the Nominee Director/s being appointed as whole time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission, and moneys as may be approved by the Corporation.

- 115. a) Any trust deed for securing Debentures or Debenture stock of the Company may provide for the appointment of a Director by the Trustees thereof or by the holders of Debentures (hereinafter referred to as "the Debenture Director") for and on behalf of the holders of Debenture or Debenture-stock for such period as is therein provided not exceeding the period for which the Debenture or Debenture-stock shall remain outstanding and may empower such Trustee or holders of Debenture or Debenture-stock for the removal from office of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise, for appointment of another Debenture Director in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed from office except as provided as aforesaid.
 - b) The Trust deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
116. Subject to the provisions of Section 313 of the Act the Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the state in which meetings of the Board are ordinarily held, and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Director and to attend and vote there at accordingly. An Alternate Director appointed under this Article shall vacate office if and when the Original Director returns to the said State. If the term of office of the Original Director is determined

before he so returns to the said State, any provision in the Act or in these Article for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Provided always that no person shall be appointed by the Board as an Alternate Director who shall not have been previously selected and approved in writing by the Original Director or by party which had appointed the Original Director as Special Director under Article 113.

117. Subject to the provisions of Sections 260, 262 and 284(6) of the Act, the Board of Directors shall have power, at any time and from time to time, to appoint any person to be a Director either as an addition to the Board i.e. Additional Director or to fill a casual vacancy occurring on account of the office of any Director appointed by the Company in general meeting being vacated before his term of office would expire in the normal course, but so that the total number of Directors shall not at any time exceed the maximum fixed in Article 112 above. Any Additional Director so appointed shall hold office upto the date of the next annual general meeting, but he shall be eligible for election by the Company at that meeting. Any person appointed to fill a casual vacancy as aforesaid shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.
118. A Director shall not be required to hold any share to qualify him to act as Director of the Company.
119. Subject to the provisions of Section 198, 309, 310 and 341 of the Act, the remuneration and travelling expenses payable to the Directors of the Company may be as hereinafter provided.
 - a) The fees payable to a Director for attending a meeting of the Board or Committee thereof shall be such sum as may be decided by the Board from time to time, subject to such limit as may be prescribed in that behalf from time to time by the Central Government under or pursuant to the Act.
 - b) In addition to the remuneration payable as above, the Directors may allow and pay to any Director who is not a bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for travelling, hotel and other expenses incurred by him, in attending and returning from meeting of the Board of Directors or any Committee thereof or general meetings of the Company.
 - c) If any Director be called upon to perform extra services or special exertions or efforts, the Board may arrange with such Director for such special remuneration for such extra service or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board subject to the provisions of the Act, and such remuneration may be in addition to his remuneration above provided.
 - d) In addition to the remuneration payable under sub-clause (c) above, the Directors may allow and pay to any Director such sum as the Board may consider fair compensation for travelling, hotel and other expenses incurred by him in connection with the business of the Company.
120. The continuing Directors may act notwithstanding vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for calling summoning General Meeting or Extraordinary General Meeting of the Company or in emergencies.
121.
 - 1) Subject to the provisions of Section 283(1) of the Act the office of a Director shall become vacant if:-
 - a) he is found to be of unsound mind by a court of competent jurisdiction: or
 - b) he applies to be adjudicated an insolvent; or
 - c) he is adjudged an insolvent; or
 - d) he fails to pay any call made on him 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 has, by notification in the Official Gazette, removed the disqualification incurred by such failure; or

- e) he or any of his relatives or partners or any firm which he or any of his relatives is a partner or any private company of which he is a director or member accepts or holds any office or place or profit under the company, other than that of Managing Director or Manager or Banker or Trustee for the holders of Debentures of the Company, under the Company, except with the consent of the Company accorded by a Special Resolution and the approvals of the Central Government wherever necessary as required by Section 314 of the Act; or
 - f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors; or
 - g) he becomes disqualified by an order of the court under Section 203 of the Act; or
 - h) he is removed in pursuance of the Articles or Section 284 of the Act; or
 - i) 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
 - j) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or
 - k) he is convicted by a court of any offence involving moral-turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
 - l) he having been appointed a Director by virtue of his holding any office or other employment in the Company, cease to hold such office or other employment in the Company as the case may be; or
 - m) he having been appointed a Director by virtue of his holding any office or other employment in the company, ceases to hold such office or other employment in the company.
- 2) Subject to the provisions of the Act a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

122. The Company shall observe the restrictions imposed in the matter of grant of loans to Directors and other persons as provided in Section 295 of the Act.

123. 1) 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 a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company.

- a) for the sale, purchase or supply of any goods, materials or services; or
- b) for underwriting the subscription for any shares in or debentures of the Company.

2) Nothing contained in the foregoing clause (1) shall affect:-

- a) 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
- b) any contract or contracts between the company on the one side and any such Director relative, firm, partner or private company on the other side for sale, purchase or

supply or 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 costs of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts

- 3) Notwithstanding anything contained in the foregoing clauses (1) and (2), a Director, relative, firm, partner of private company as aforesaid may, in circumstances or 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 five thousand rupees in the aggregate in any year comprised in the period of the contract; but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.
 - 4) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise; and the consent of the Board required under clause (1) above shall not be deemed to have 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 it was entered into.
 - 5) If the consent is not accorded to any contract under the Article anything done in pursuance of the contract shall be voidable at the option of the Board.
- 124.
- 1) Subject to the provisions of clause (2), (3), (4) and (5) of this Article and the restrictions imposed by Article 121 and other Articles hereof and the Act and the observance and fulfillment thereof, no Director shall be disqualified by reason of his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized as a result of or in pursuance of any 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 must be disclosed by him as provided by clause (2), (3) and (4) hereof.
 - 2) Every Director who is 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 or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided by clause (4) hereof.
 - 3)
 - a) In the case of proposed contract or arrangement, the disclosure required to be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.
 - b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
 - 4) For the purpose of this Article, a general notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Directors concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

- 5) Nothing in Clause (2), (3) and (4) hereof shall apply to any contract or arrangement entered into or to be entered into between the company and any other company where any one of the directors of the Company or two or more of them together holds or hold not more than 2 per cent of the paid up share capital in the other company.
125. An interested Director defined in the proceeding Article shall not take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he does vote; his vote shall be void;

Provided that this prohibition shall not apply:-

- i) to 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;
 - ii) to any contract or arrangement entered into which public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely in his being a Director of such Company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company or in his being a member holding not more than two per cent of the paid-up share capital of such Company;
 - iii) in case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.
126. 1) Except with the consent of the Company accorded by a Special Resolution:-
- a) No Director of the Company shall hold any office or place of profit; and
 - b) No partner or relative of such a Director, as defined by the Act of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or member and, no Director, Manager of such a private company, shall hold any office or place or profit carrying a total monthly remuneration of five thousand rupees or more, except that of Managing Director, or Manager, Banker, or Trustee for the holder of debentures of the Company.
 - i) Under the Company; or
 - ii) Under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company. Provided that it shall be sufficient if the special resolution according to the consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit.

Provided further that where a relative of a Director or a firm in which such relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof with out the knowledge of the Director, the consent of the Company may be obtained either in the general meeting aforesaid or within three months from the date of the appointment whichever is later. Explanation: - For the purpose of this clause a Special Resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such offices or place of profit on a higher remuneration nor covered by the Special Resolution except where an appointment on a time scale has already been approved by the Special Resolution.

- 2) Nothing in clause (1) above shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place before such director becomes a Director of the Company.
- 3) If any office or place of profit is held in contravention to the provisions of the above Clause

(1), the Director, partner, relative, firm, private company, or the manager, concerned shall be deemed to have vacated his or its offices as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso or as the case may be, the date of the expiry of the period of three months referred to in the second proviso to Clause (1) of this Article, and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately proceeding the date aforesaid in respect of such office or place of profit. The Company shall not waive the recovery of any such sum refundable to it unless permitted to do so by the Central Government.

4) Notwithstanding anything contained hereinabove:

- a) no partner or relative of a director or manager;
- b) no Private Company of which such a Director or Manager or relative of either, is a Director or member, shall hold any office or place of profit in the Company which carries a total monthly remuneration of not less than Rs. 8,000/-except with the prior consent of the Company by a Special Resolution and the approval of the General Government.

5) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with a Director of the Company in any of the ways referred to hereinabove hereof.

127. 1) The Company shall keep one or more Registers in which shall entered separately particulars of all contracts or arrangements to which section 297 or section 299 of the Act applies, including the following particulars to the extent they are applicable in each case, namely:

- a) the date of the contract or arrangement;
- b) the name of the parties thereto;
- c) the principal conditions thereof;
- d) in the case of a contract to which section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of section 299 of the Act applies, the date on which it was placed before the Board;
- e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

2) Particulars of every such contract or arrangement to which section 297 of the Act, or as the case may be sub-section (2) of the section 299 of the Act applies shall be entered in the relevant Register aforesaid:-

- a) In the case of a contract or arrangement requiring the Board's approval within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved.
- b) in the case of any contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract for arrangement or within thirty days of the date of such other contract or arrangement, whichever is later; and the Register shall be placed before the next meeting of the Board and shall then be signed by all the directors present at the meeting.

- 3) The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the firms and bodies corporate of which notice has been given under sub-section (3) of section 299 of the Act.
- 4) Nothing in the foregoing Clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods and materials or the costs of such services does not exceed one thousand rupees in the aggregate in any year.
- 5) The register aforesaid shall be kept at the Registered Office of the Company; any it shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required, by any member of the Company to the same extent, in the same manner, and on payment of the same fee, as in the case of the register of member of the Company; and the provisions of section 163 shall apply accordingly.

ROTATION OF DIRECTORS

128.
 - 1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly, provided in the Act and these Articles, be appointed by Company in General Meeting.
 - 2) The remaining Directors shall be appointed in accordance with the provisions of these articles
129.
 - 1) At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.
 - 2) Subject to section 284(5) of the Act, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who becomes Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves be determined by lot. A retiring Director shall be eligible for reappointment.
130. Subject to the provisions of Section 261 of the Act, the Company at the Annual General Meeting of which a Director retires in manner aforesaid, may fill up the vacated office by electing the retiring Director or some other person thereto.
131.
 - a) If the place of the 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 of that day is 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 that meeting also has not expressly resolved not to fill vacancy the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless:-
 - i) at the meeting or at the previous meeting a resolution for the reappointment 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 the appointment or re-appointment in virtue of the provisions of the Act; or
 - v) the proviso to sub-section (2) of Section 263 or sub-section (3) of Section 280 of the Act is applicable to the case.
132. Subject to Section 255 and 259 of Act, the Company may, be ordinary resolution from time to time,

increase or reduce the number of directors, within the limits fixed in that behalf by these Articles, and may alter their qualifications.

133. Subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles, the Company may remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

134. 1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any general meeting if he or some member intending to propose him has, at least fourteen clear days before the meeting, left at the office of the Company, a notice in writing under his hand signifying his candidature for the office of Directors or the intention of such member to propose him as a candidate for that office.

2) Every person (other than a person who has left at the office of the Company a notice under Section 257 signifying his candidature for the office of a Director) proposed as a candidate or the office of a Director shall if appointed.

3) A Director other than

a) a director re-appointed after retirement by rotation or immediately on the expiry of his term of office; or

b) an additional or alternative Director or a person filling a Casual Vacancy in the office of a Director under section 262 of the Act, appointed as a Director or reappointed as an additional or alternate Director immediately upon the expiry of his term of office; or

c) a person named as a Director of the Company under the article as first registered.

Shall not act as a director of the company unless he has within 30 days of his appointment signed and filed with the Registrar of Companies his consent in writing to act as such Director.

PROCEEDINGS OF THE BOARD OF DIRECTORS

135. The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meeting and proceedings as they may think fit.

136. A Director may, and upon the request of a Director, the Secretary shall, at any time, convene a meeting of the Board of Directors. Notice of every meeting of the Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

137. 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 places 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 exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during the time.

138. If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the director of Directors present at the meeting may fix.

139. The Directors may from time to time elect one of their members to be Chairman of the Board of Directors to preside over the meeting and determine the period for which he is to hold office. The Directors may likewise appoint a Vice-Chairman of the Board of Directors to preside over the meeting at which the Chairman shall not be present. If so such Chairman and/or Vice-Chairman is elected, or if at any meeting of the Board of Directors the Chairman and/or the Vice-Chairman are not present within five minutes of the time appointed for holding the same the Directors present shall choose one of their

Members to be Chairman of such meeting.

140. Questions arising at any Board Meeting, 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.
141. A meeting of the Board of Directors for the time being at which a quorum is Present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles or the Regulations of the Company are for the time being vested in or exercisable by the Board of Directors generally.
142. Subject to the restrictions contained in Section 292 of the Act the Board of Directors may delegate any of their powers to Committees of the Board consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part, either as to persons or purposes but every Committee of the Board, either wholly or in part and either as to persons or purposes, so formed shall, in the exercise of the power so delegated confirm to any regulations that may from time to time be imposed on it by the Board of Directors. All acts done by such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment but not otherwise shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles and may pay the same.
143. The meeting 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 meeting 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 proceeding Articles.
144. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India (not being less in number than the quorum for a meeting of the Board of Committee, as the case may be) and to all other directors or members of the Committee, at their usual address in India 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.
145. 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 such Directors or Committee or person acting as aforesaid, or that they or any of them are disqualified or had vacated office, or that the appointment of any of them had been terminated by virtue of any provisions 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 and had not vacated office or his appointment had not been terminated.
146. The Company shall cause minutes of the meetings of the Board of Directors and of Committee of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following:
 - i) The names of the Directors present at such meetings of the Board of Directors, and of any Committee of the Board;
 - ii) all orders made by the Board of Directors and Committee of the Board and of all appointments of officers and Committees of Directors;
 - iii) all resolutions and proceeding of meetings of the Board of Directors and Committees of the Board; and
 - iv) in the case of such resolution passed at a meeting of the Board of Directors, or Committees of the Board of Directors, or Committees of the Board, the names of Directors, if any, dissenting from or not concurring in the resolution; or abstain from voting.
147. All such minutes shall be signed by the Chairman of the meetings as recorded or by the person who

shall preside as Chairman at the next succeeding meeting and all minutes purported to be so sign shall for all purposes whatsoever be prime facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

148. The Company shall maintain the following Registers, Books and Documents namely:
- a) Register of Investment not held in Company's name according to Section 49 of the Act.
 - b) Register of Mortgages and charges according to Section 143 of the Act.
 - c) Register of Members, and an Index of Members according to Sections 150 and 151 of the Act.
 - d) Register and Index of Debenture holders according to Section 152 of the Act.
 - e) Register of contracts, companies and firms in which Directors are interested according to Section 301 of the Act.
 - f) Register of Directors according to Section 303 of the Act.
 - g) Register of Directors' Shareholding according to Section 307 of the Act.
 - h) Register of Investments in shares or debentures of bodies corporate in the same group according to Section 372 of the Act.
 - i) Books of Accounts in accordance with the provisions of Section 209 of the Act.
 - j) Copy of instrument creating any charge requiring registration according to section 136 of the Act.
 - k) 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.
 - l) Register of Renewed and Duplicate Certificate according to rule (2) of the Companies (Issue of Share Certificates) Rules, 1960.
 - m) Register of Deposits according to Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975, or any modification or replacement thereof.
 - n) Register of Foreign Members.
149. The said Registers, Books and Documents shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act on such days and during such business hours as may, consistently with the provisions of the Act in that behalf, be determined by the Company in general meeting.

POWERS OF DIRECTORS

150. The management and control of the business of the Company shall be vested in the Directors who may exercise all such powers of the and do all such acts and things as are not prohibited by the Act or any statutory modification thereof for the time being in force or by any other Act or by the Memorandum or by these Articles, required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles to the provisions of the Act or any Statutory modifications thereof for the time being in force or any other Act on to such regulations or provisions, 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.

151. 1) Without derogating from the power 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 Meeting of the Board;

- a) The power to make calls on shareholders in respect of money unpaid on their shares.
- b) The power to authorize buy-back referred to in the first proviso to clause (b) of sub-section (2) of section 77A;
- c) The power to issue debentures.
- d) The power to borrow moneys otherwise than on debentures.
- e) The power to invest the funds of the Company.
- f) The power to make loans.

Subject to provisions of Section 292 of the Act, and other provisions of the Act, the Board may delegate from time to time and at any time to a committee formed out of the directors all or any of the powers authorities and discretions for the time being vested in the Board and any such delegations may be made on such terms and subject to such conditions as the Board may think fit.

- 2) Every resolution delegating the power referred to in Clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegates; provided, however, that where the Company has an arrangement with its Bankers for the borrowing of Moneys by way of overdraft cash or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement is made is availed of shall not require the sanction of the Board.
- 3) Every resolution delegating the power referred to in Clause (1) (d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.
- 4) Every resolution delegating the power referred to in clause (1)(e) shall specify the total amount upto which the loan may be made by the delegates the purpose for which the loans may be made for each purpose in individual cases.
- 5) Nothing in this Article contained shall be deemed to affect the rights of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in (a), (b), (c), (d) and (e) of Clause (1) above.

152. Without prejudice to the general power conferred by Articles 66, 150 and 151 and so as not in any way to limit or restrict these powers and without prejudice to the other powers conferred by these Articles but subject to the restrictions contained in the last preceding two Articles, the Directors shall have the following powers, that is to say; power:

- 1) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Section 76 and 208 of the Act.
- 2) Subject to Section 292 and 297 of the Act, to purchase or otherwise acquire for the Company any property right or privileges which the company is authorized 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 titles as all the then prevailing circumstances or the case may justify in the interest of the Company.
- 3) 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 shares, bond, debentures, mortgages or, other securities of the Company, and any such shares may be issued as paid up and 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 changed.

- 4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings machinery goods stores produce and other moveable property of the Company either separately or conjointly, also to insure all or any portion of the goods produce machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
- 5) To open accounts with any bank or bankers or with any Company firm or individual and to pay money and draw money from and such amount from time to time as the Directors may think fit.
- 6) To secure the fulfillment or any Contracts, Agreement or Engagements 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.
- 7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust of the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be required in relation to any such trust, and to provided 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 of otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due or of any claims or demands by or against the Company, and to, refer any claims or demands by or against the Company or any differences to arbitration, and observe, perform, implement and enforce any awards made thereon.
- 9) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- 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 Section 292, 293(1), 295, 370, 372 and 373 of the Act, to invest and deal with any moneys of the Company, upon such security (not being share of the Company) or without security and in such manner as they think may think fit, and from time to time to vary or realize 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 of and on behalf of the Company in favour of the Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefits 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 determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptance, endorsements, cheques, dividend warrants, release, contracts and documents and to give the necessary authority for such purpose.
- 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 officer of other person employed by the Company a commission on the profits of any particular business or transactions, and to charge such bonus or commission as part of the working expenses of the Company.
- 15) To provide for the welfare of the Director Ex-Director or the employees or ex-employees of the Company and the wives, widows and families or the dependants or connections of such persons, by building or contributing to the building of housings, dwellings or chawls, or by grants or money pensions, gratuities, allowances, bonus or other payments, or by creating and

from time to time subscribing or contributing to provident fund and other associations, institutions fund or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical, and other attendance and other assistance as the Board of Directors shall think fit, and to subscribe or contribute or otherwise to assist or other institutions or objects or for any exhibition or for any public general or useful objects.

- 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 a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company, and for such other purpose (including the purpose referred to preceding clause), as the Board of Directors may, in their absolute discretion think, conducive to the interest of the Company, and to invest the several sums to 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 deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board of Directors, in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board of Directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board of Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debenture or debenture-stock and that 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 of Directors, at their discretion to pay or allow to the credit of such funds interest at such rate as the Board of Directors may think proper.
- 17) To appoint and, at their discretion, remove or suspend such managers, secretaries, officers, assistants, supervisors clerks agent 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, emoluments to remunerations and to require security in such instances and to such amount as they may think fit and also without prejudice as aforesaid, from time to time 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 fit, and the provisions contained in the two next following sub-clauses shall be without prejudice to the general powers conferred by the sub-clause.
- 18) 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.
- 19) From time to time and at any time to establish and Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Board or any managers or agents and to fix their remunerations.
- 20) Subject to the provisions of Section 292 of the Act and the Articles from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities and discretions Board of Directors, 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 under clause 19 of this Articles may be made on such terms and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annual or vary and such delegation.
- 21) At any time and from time to time by power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as the Board of Directors, may from time to time think fit.

- 22) Subject to Section 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company, to enter into all such negotiations, arrangements and contracts and rescind and vary all such arrangement or contracts and execute and do all such acts, deeds, and things in the name and behalf of the Company as they may consider expedient for on in relation to any of the matters aforesaid or otherwise for the purpose of the Company.
- 23) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretion vested in the Directors to any person, company, or fluctuating body or persons as aforesaid.
- 24) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.

MANAGING OR WHOLE-TIME DIRECTOR(S)

153. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of its members to be as Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director or Whole Time Director or Whole-Time Directors) of the Company for a fixed term not exceeding five years upon such terms and conditions as they may think fit, (subject to the provisions of the Act and subject to the provisions of any contract between him or them and the Company) remove or dismiss him or dismiss him or them from office and appoint another or others in his or their place or places.
154. Subject to the provision of the Act and of these Articles, a Managing Director or Whole-Time Director shall not, while he continues to hold that office, be subject to retirement by rotation under the Act or Article 129 clause (1) but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole-Time Director if he cease to hold the office of Director for any cause provided that if at any time the number of Directors (including the Managing Director or Whole-Time Director) as are not subject to retirement by rotating shall exceed one-third of the total number of the Directors for the time being then such Managing Director or Managing Directors or Whole Time Director or Whole-Time Directors, as the directors may from time to time select, shall be liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.
155. Subject to the provisions of the Act and the approval of the Company in General Meeting, the remuneration of a Managing Director or Whole-Time Director shall from time to time be fixed by the Directors, and may be by way of fixed salary, or commission on profits of the Company or by participation in any such profits or by any or all of these models.
156. Subject to the superintendence, control and discretion of the Board of Directors, the day to day Management of the Company may be entrusted to the director or Directors with power to the Board to distribute such day to day functions among such Directors, if more than one, in any manner as directed by the Board, or to delegate such power of distribution to any one of them. The Board may from time to time entrust to and confer upon a Managing Director or Whole-Time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time 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 subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

157.
 - a) The Board of Directors may from time to time appoint any individual, as the Secretary of the Company to perform duties which may be performed by a Secretary under the Act and any other purely ministerial and administrative duties as the Board of Directors may from time to time assign to the Secretary including the duty to keep the registers required to be kept under the Act.
 - b) The Board of Directors may at any time appoint a temporary substitute of the Secretary who

shall for the purposes of these Articles and the Act be deemed to be the Secretary.

COMMON SEAL

158. 1) The Board of Directors shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of Directors or a committee of the Directors previously given.
- 2) Every deed or other instrument which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted Attorney of the Company, be signed by two Directors or by a Director and countersigned by the Secretary or by some other person appointed by the Board for the purpose. Provided nevertheless that certificates of title to shares may be sealed and signed as provided in Article 20.
159. Save as otherwise expressly provided by the Act, a document or proceeding requiring authentication by the Company may be signed by a Director or Secretary or other officer authorized in that behalf by the Board of the Company and need not be under its seal.

ANNUAL RETURNS

160. The Company shall make requisite annual returns in accordance with Section 159 and 161 of the Act and shall file with the Register three copies of the balance sheet and profit and loss account in accordance with Section 220 of the Act.

DIVIDEND

161. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of any law for the time being in force and subject to these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

Provided always that (subject as aforesaid) any capital paid up on a share during that period in respect of which dividend is declared shall, unless the Directors, otherwise determine, only entitle and shall be deemed always to have only entitled, the holder of such share to an apportioned amount of such dividend as from the date of payment.

162. The Company in general meeting may subject to Section 205 of the Act declare dividends, to be paid to members according to their respective rights and interests in the profits but subject to any law for the time being in force and may fix the time for payment but no dividend shall exceed the amount recommended by the Board of Directors. However, the Company in general meeting may declare a smaller dividend than recommended.
163. No dividend shall be paid otherwise than out of the profits of the year of any other undistributed profits or otherwise than in accordance with the provisions of Section 205, 206 and 207 of the Act or any other law for the time being in force and no dividend shall carry interest as against the Company unless required by law. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
164. Subject to the provisions of the Act any law for the time being in force the Board of Directors may from time to time, pay to the members interim dividends as, in their judgment, the position of the Company justified.
165. The Company shall pay dividends 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.
166. The Board of Directors may, if they so think fit, retain the dividends payable upon shares in respect of which any person is under Article 60 entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall

duly transfer the same.

167. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from his to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons; and the directors may without prejudice to any other right or remedy of the Company deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
168. A transfer of shares shall not pass the rights to any dividend declared thereon before the Registration of the transfer.
169. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payment on account of dividends in respect of such share.
170. Unless otherwise directed and dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means. Several executors or administrators of a deceased member in whose sole name any share stands, shall for the purposes of this clause be deemed to be joint holders thereof.
171. Where a dividend has been declared by the Company but has not been paid, or the warrant in respect thereof has not been posted within thirty days from the date of the declaration, to any shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted within the said period of thirty days, the special account to be opened by the Company in that behalf in any Scheduled Bank to be called "Unpaid Dividend Account" of the Company and all the other provisions of Section 205A of the Act in respect of the any such unpaid dividend or any part thereof shall be applicable, observed, performed and complied with. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with all the provisions of the Section 205A of the Act, in respect of unclaimed and unpaid dividend.
- Any money transferred to the said unpaid dividend account of the Company, which remains unpaid or unclaimed for a period of 7 years from the date of such transfer, shall be transferred by the Company to the fund established under section 205C (1) of the Act by the Central Government.
172. No dividend shall be declared or paid by the Company for the financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub section (2) of section 505 of the Act except after the transfer to the reserves of the Company of such percentage of its profits for that year, as may be prescribed. Provided that nothing in the sub-section shall be deemed to prohibit the voluntary transfer by a Company of a higher percentage of its profits to the reserves in accordance with such rules as may be made by the Central Government in this behalf.
173. No dividends shall be paid otherwise than in cash.
174. Annual general meeting declaring a dividend any 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 that Company and the members to be set off against the calls.

CAPITALISATION

175. The Company may in a general meeting, on the recommendation of the Board of Directors:
- (a) resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit or the reserve fund, or any Capital Redemption Reserve Fund, or in the hands of the Company and available for dividend or representing premium

received on the issue of shares and standing to the credit of the share premium account be, subject to the provisions of section 78 of the Act, capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued share or debentures or debenture-stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

- (b) resolve that any surplus moneys arising from the realization of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for Income-tax distributed among the members on the footing that they receive the same as capital.
176. For the purpose of giving effect to any resolution under the two last preceding articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient, and in particular may issue fractional certificate, and may (fix the value for distribution of any specific assets, and may) determine the cash payments shall be made to any members upon the footing of the value so fixed or that fractions of less value than Re. 1 may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Directors and generally may make such arrangements for the acceptance allotment and sale of such shares or other specific assets and fractional certificates or otherwise as they may think fit. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Companies Act, 1956 and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.
177. If and whenever any shares become held by any member in fraction, the Directors may subject to the provisions of the Act and these Articles and sell these shares which members hold in fractions for the best price reasonably to be directions, of the Company in general meeting, if any consolidate and obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Director may authorize any person to transfer the shares sold to the purchaser thereof comprised in any such transfer and he 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.

ACCOUNTS

178. 1) The Company shall cause to be kept proper books of account with respect to
- a) all sums of money received and expended by the Company and the matter in respect of which receipts and expenditure take place;
 - b) all sales and purchase of goods by the Company.
 - c) the assets and liabilities of the Company.
- 2) If the company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at the office and proper summarized returns made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board think fit, where the main books of the Company are kept.
179. The books of account shall be kept at the Registered Office of the Company or at such other place or places as the Board of Directors think fit and shall be open to inspection by any Director during business hours.
180. The books of account of the Company relating to a period of not less than eight years immediately

preceding the current year shall be preserved in good order.

181. The Board of Directors shall from time to time determine whether and to what extent and at what time and places, and under what conditions or regulations the records and documents of the Company or any of them as are in law open for inspection by members, shall be open for the inspection for the members.
182. The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made to 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 where an extension of time has been granted by the Register of Companies under the provisions of the Act by more than six months and the extension so granted.
183.
 - a) Subject to the provisions of Section 211, of the Act, every balance sheet and profit and loss account of the Company, shall be in the forms set out in part I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.
 - b) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provision of the Act.
 - c) If in the opinion of the Board, any of the current assets of the Company have not a value or realization in the ordinary course of business at least equal to the amount at which they are stated, fact that the Board is of that opinion shall be stated.
184.
 - 1) Every balance sheet and every profit and loss account of the Company shall be signed on behalf of the Board of Directors of its Manager or Secretary, if any, and by not less than two Directors of the Company, one of whom shall be a Managing Director, if there is one.
 - 2) When only one Director is for the time being in India, the balance sheet and profit and loss account shall be signed by such Director and in such a case there shall be attached to the balance sheet and the profit and loss account of a statement signed by him explaining the reason for non-compliance with the provisions of Clause (1) above.
 - 3) The balance sheet and the profit and loss account shall be approved by the Board before they are signed on behalf of the board in accordance with the provisions of the Article and before they are submitted to the Auditors for their report thereon.
185. The profit and loss account shall be annexed to the balance sheet and the Auditor's Report (including the Auditor's separate, special or supplementary report, if any) shall be attached thereto.
186.
 - 1) Every balance sheet laid before the Company in general meeting shall have attached to it a report by the Board of Directors with respect to (a) the state of the Company's affairs; (b) the amounts, if any, which it propose to carry to any Reserve in such balance sheet; (c) the amount, if any, which it recommends to be paid by way of dividend and (d) material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the balance sheet relate and date of the report.
 - 2) The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members, and will not in the Board's opinion be harmful to the business of the company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.
 - 3) a) The Board's report shall also include a statement showing the name of every employee of the Company who:
 - i) if employed throughout the financial year, was in receipt of remuneration for the year which, in the aggregate, was not less than Seventy two thousand

rupees; or

- ii) If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Six thousand rupees per month.

b) The Statement referred to in clause (a) shall also indicate:

- i) Whether any such employee is a relative of any director of Manager of the Company and if so, the name of such Director, and
- ii) Such other particulars as may be prescribed.

Explanation: "Remuneration" has the meaning assigned to it in the Explanation to Section 198 of the Act.

- 4) The Board shall also give the fullest information and explanations in its report or in cases falling under the provision every reservation, qualification or adverse remark contained in the Auditor's Report.
 - 5) The Board's Report and addendum (if any thereto, shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorised shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account of the Company by virtue of clauses (1) and (2) of the Article 184.
187. 1) A copy of every balance sheet (including the Profit and Loss Account, the Auditors report and every other document required by law to be annexed or attached, as the case may be, to the balance sheet which is 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 twenty one days before the date of meeting. A statement containing the salient features of such documents in the prescribed form or the copies of the documents aforesaid, as the Company may deem fit will be sent to every member of the Company, to every holder of debentures issued by the Company (not being debenture which ex-facie are payable to the bearer thereof) to every Trustee for one holder of any debentures issued by the Company whether such member, holder or trustee is or not entitled to have notices of General Meeting of the Company sent to him and to all persons other than such members, holders or trustees being persons so entitled not less than 21 days before the date of the meeting as laid down in section 219 of the Act and all the rest of the provisions of the Section shall apply in respect of the matter referred to in this Article.
- 2) Any member or holder of debentures of the Company, whether he is or is or is not entitled to have copies of the Company's balance sheet sent to him shall, on demand, be entitled to be furnished without charge and any person from whom the Company has accepted sum of money by way of deposit shall, on demand, accompanied by the payment of a fee of one rupee, be entitled to be furnished with a copy of the last balance sheet of the Company and of every document required by law to be annexed or attached thereto, including the profit and loss account and the Auditor's Report.

AUDIT

188. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by Auditor/Auditors to be appointed as herein provided.
189. 1) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment, give intimation thereof to every Auditor so appointed. Provided that before any appointment or re-appointment of Auditor or auditors is made by the Company at any Annual General Meeting, a written certificate shall be obtained from the Auditor or Auditors proposed to be so

appointed to the effect that the appointment or re-appointment, if made, will be in accordance with the limits specified in sub-section (1-B) of section 224 of the Act.

- 2) At the Annual General Meeting, a retiring Auditor, by whatsoever authority appointed, shall be reappointed, unless;
 - a) he is not qualified for re-appointment;
 - b) he has given the Company notice in writing of his un- willingness to be re-appointed.
 - c) a resolution has been passed at the meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
 - d) where notice has been given of an intended resolution to appointed some person or performs in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all these persons, as the case may be, the resolution cannot be proceeded with.
 - 3) Where at an Annual General Meeting no Auditors are appointed on re-appointed the Central Government may appoint a person to fill the vacancy.
 - 4) The Company shall, within seven days of the Central Government's power under sub-clause (2) becoming exercisable, give notice of that fact to that Government.
 - 5) The Board of Directors may fill any casual vacancy in the office of the Auditor, but while any such vacancy continues, the remaining Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting. Any Auditor appointed in a casual vacancy shall hold office until the conclusion of the next Annual General Meeting.
 - 5) A person, other than a retiring auditor shall not be capable of being appointed at an Annual General Meeting unless 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 notice to the 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 a retiring Auditor shall not be re-appointed.
- 190
- 1) The person qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.
 - 2) None of the persons mentioned in Section 226 of the Act, to be not qualified for appointment as Auditors shall not be appointed as Auditors of the Company.
- 191.
- The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.
- 192.
- 1) Every auditors of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor.
 - 2) All notices of, and other communications relating to any general meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.

- 3) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every balance sheet and profit and loss account, and on every other document declared by the Act to be part of or annexed to the balance sheet or profit and loss account which are laid before the Company in General Meeting, during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to the explanation given to him the said accounts give the information required by the Act in the manner so required and give a true and fair view:
 - i) in the case of the balance sheet of the state of the Company's affairs as at the end of its financial year, and
 - ii) in the case of the profit and loss account, of the profit or loss for its financial year.
- 4) The Auditors Report shall also state:
 - a) Whether he has obtained all the information and explanation which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - b) Whether, in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his explanation of those books, and proper returns adequate for the purposes of his audit have been received from branches.
 - c) Whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-section (3) of the Section and how he has dealt with the same in preparing the Auditor's Report.
 - d) Whether the Company's balance sheet and profit and loss account dealt with by the report are in agreement with the books of accounts and returns.
- 5) Where any of the matters referred to in Clause (i) and (ii) of subsection (2) of Section 227 of the Act, or in clauses (a), (b), and (c) of sub-section (3) of Section 227 of the Act, or Sub-Clause 4(a), (b), (c) and (d) hereof is answered in the negative or with a qualification the Auditor's Report shall state the reason for the answer.
- 6) The accounts of the Company shall not be deemed as not having been, and the auditor's Report shall not state that those accounts have not been properly drawn up on the ground merely that the Company has not disclosed certain matters if :
 - (a) those matters are such as the company is not required to disclose by virtue of the provisions contained in the Act or any other enactment, and
 - (b) those provisions are specified in the balance sheet and profit and loss account of the Company.
193. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company except to the extent to which any exemption may be granted by the Central Government that behalf.
194. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.
195. Every account and the Director's Report thereon when audited and adopted by the Company in general

meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive. Provided further that such accounts and the Director's Report thereon may be attend or modified or varied at any time thereafter may be attend or modified or varied at any time thereafter with the consent of the company accorded by an Ordinary Resolution.

DOCUMENTS AND SERVICE OF DOCUMENTS

196. 1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process order, judgment or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address if any within supplied by him to the Company for the giving of notices to him.
- 2) Where document is sent by post:
- a) service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
 - b) Such service shall be deemed to have been effected:
 - i) in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the notice is posted, and
 - ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- 197 If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, documents advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
198. A document may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased or assignee of the insolvent or by any 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 serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
199. Subject to the provisions of the Act and these Articles, notice of general meeting shall be given:
- i) to members of the Company as provided aforesaid in any manner authorized by articles 196 and 197 as the case may be or as authorized by the Act;
 - ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 198 or as authorized by the Act;
 - iii) to the Auditor or Auditors for the time of the Company, in any manner authorized by the Articles or by the Act in the case of any member or members of the Company.
200. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members, or any of them and not expressly provided for by these presents, shall be deemed to be

duly served or sent if advertised once in one daily English and on daily vernacular newspaper circulating in the city or town where the registered office of the Company is situated.

201. Every person, who by operation of law, transfer, or other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such share which, previously to his name and address being entered on the Register, shall be duly served on or sent to the persons from, whom he derives his title to such share.
202. The Signature to any notice to be given by the Company may be written, typed or printed.
203. A notice may be given by the Company to the joint-holders of a share by giving the notice to the joint holder named first in the register in respect of shares. Several executors' administrators of a deceased sole holder shall be deemed to be jointly entitled for the purpose of this Article.

WINDING UP

204. If the Company shall be wound up, and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed to that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up, at the commencement of the winding up, on the shares, held by them respectively, and if in a 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.
205. 1) 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 of 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 liquidators, with the like sanction shall think fit.
- 2) 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 contributories (except were 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 prejudiced thereby shall have a right to dissent and ancillary rights as if such determination where a Special Resolution passed pursuant to Section 494 of the Act.
- 3) In case any shares to be divided as aforesaid involve a liability to call or otherwise any reason 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 liquidators to sell his proportion and pay him the net proceeds and liquidators shall if practicable act accordingly.
206. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 if 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 liquidators be distributed amongst 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 Section.

INDEMNITY

207. Subject to the provisions of Section 201 of the Act, every Director, manager and other officer or servant of the company shall be indemnified by the Company against, and it shall be the duty of Directors out of the funds of the Company to pay, all costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done by him as such officer or servant or in any way in the discharges of his duties 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, Manager, Officer or Servant in defending any proceedings, whether

civil or criminal, in which judgment is given in his favour he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company.

208. Subject to the provisions of Section 201 of the Act, no Director, Manager or other officer of the Company shall be liable for the acts, receipts, neglects of any other Director or Officer or for joining any receipt of other Act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of 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 or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom by moneys, securities, or effects shall be deposited or for any loss occasioned by an error of judgment, omission, default or oversight, on his part, or for any other loss damage or misfortunes whatsoever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.

SECRECY CLAUSE

209. No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail 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 may relate to the conduct of the business of the Company, and which in the opinion of the Directors would be inexpedient in the interest of the Company to disclose.

SECTION IX: OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered into or will be entered into by our Company. These contracts, copies of which have been attached to the copy of this RHP, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10.00 am to 4.00 pm on working days from the Bid Opening Date until the Bid Closing Date.

Material Contracts to the Issue

1. Issue Agreement dated February 24, 2010 among our Company and the BRLM.
2. Agreement dated February 20, 2010 between our Company and the Registrar to the Issue and the Amendment Agreement dated July 22, 2010.
3. Escrow Agreement dated [●] among our Company, the BRLM, the Syndicate Member, the Escrow Collection Banks and the Registrar to the Issue.
4. Syndicate Agreement dated [●] among our Company, the BRLM and the Syndicate Member.
5. Underwriting Agreement dated [●] among our Company, the BRLM and the Syndicate Member.

Material Documents

1. Memorandum and Articles of Association of our Company, as amended.
2. Certificate of incorporation dated April 25, 2006 for incorporation as “Bhaumik Agro Products Private Limited” and certificates of incorporation for the subsequent name changes up to the latest certificate of incorporation consequent to change of name to “Bajaj Corp Limited” dated October 16, 2007.
3. Resolution of the Board of Directors dated February 20, 2010 authorising the Issue.
4. Shareholders’ resolutions dated February 22, 2010 in relation to the Issue and other related matters.
5. Report of the Auditor, R.S. Dani & Co., Chartered Accountants, dated June 30, 2010 prepared in accordance with Indian GAAP as required by Part II of Schedule II to the Companies Act and mentioned in this RHP.
6. Copies of annual reports of our Company for the fiscal years ended March 31, 2010, 2009, 2008 and 2007.
7. Statement of Tax Benefits of our Company the Auditor, R.S. Dani & Co., Chartered Accountants, dated June 30, 2010.
8. Consent of the Auditor, R.S. Dani & Co., Chartered Accountants, for inclusion of their report in the form and context in which it appears in this RHP.
9. Consents of the Bankers to our Company, the BRLM, the Syndicate Member, the Registrar to the Issue, the Bankers to the Issue, Domestic Legal Counsel to our Company, Domestic Legal Counsel to the Underwriters, International Legal Counsel to the Underwriters, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
10. Trademark license agreement dated March 12, 2008.
11. Amendment agreement to the trademark license agreement dated January 22, 2010.
12. Novation agreement dated February 24, 2010.

13. Memorandum of Understanding dated October 14, 2009 between our Company, Bajaj Infrastructure Development Company Limited, Bajaj Hindusthan Limited and Teracon Constructions (India) Private Limited.
14. Resolution of the Board of Directors dated March 18, 2010 for undertaking the redevelopment of Nityanand Nagar Vibhag Four Cooperative Housing Society Limited and restricting the financial commitment of our Company towards the same to Rs.0.8 Mn.
15. Letter of appointment dated November 3, 2009 from our Company to Mr. Apoorv Bajaj appointing him as the Executive President of our Company for a period of five years from November 5, 2009.
16. Undertaking dated November 3, 2009 from Mr. Apoorv Bajaj to our Company agreeing to act as the Executive President of our Company.
17. Approval dated March 26, 2010 from the Ministry of Corporate Affairs to our Company, in relation to the appointment of Mr. Apoorv Bajaj to act as the Executive President of our Company from November 5, 2009 to November 4, 2014.
18. Applications dated March 11, 2010 for in-principle listing approval to the BSE and NSE, respectively.
19. In-principle listing approvals dated April 20, 2010 and April 7, 2010 from the BSE and the NSE respectively.
20. Agreement among NSDL, our Company and the Registrar to the Issue dated March 18, 2010.
21. Agreement among CDSL, our Company and the Registrar to the Issue dated March 23, 2010.
22. Listing agreements of our Company with the BSE and the NSE, each dated [●].
23. Due diligence certificate dated February 26, 2010 to the SEBI from the BRLM.
24. SEBI observation letter dated June 22, 2010 and our Company's *in seriatim* reply to the SEBI observation letter dated July 8, 2010.
25. Consent Letter from CRISIL, for the inclusion of their name as the IPO Grading Agency and the inclusion of their IPO Grading Report in the form and context in which it appears in this RHP.
26. IPO grading report dated June 28, 2010 by CRISIL.

Any of the contracts or documents mentioned in this RHP may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We certify that all relevant provisions of the Companies Act, and the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statement made in this RHP is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules or regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this RHP are true and correct.

Signed by all the Directors of our Company

Mr. Kushagra Bajaj, *Chairman*

Mr. R.F. Hinger, *Vice-Chairman*

Mr. Sumit Malhotra, *Whole-time Director*

Mr. Haigreve Khaitan, *Independent, Non-Executive Director*

Mr. Gaurav Dalmia, *Independent, Non-Executive Director*

Mr. Dilip Cherian, *Independent, Non-Executive Director*

Mr. Aditya Vikram Somani, *Independent, Non-Executive Director*

Signed by the Chief Financial Officer, Company Secretary and Compliance Officer

Mr. D.K. Maloo, *Company Secretary*

Mr. V.C. Nagori, *Chief Financial Officer*

Date: July 22, 2010

Place: Mumbai

Bajaj Corp Limited

CRISIL IPO Grade 4/5 (Above average)

June 28, 2010

Grading summary

CRISIL Equities has assigned a CRISIL IPO grade of '4/5' (pronounced "four on five") to the proposed IPO of Bajaj Corp Limited (Bajaj Corp). This grade indicates that the fundamentals of the IPO are above average relative to the other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. The offer price for the issue may be higher or lower than the level justified by its fundamentals. The grade is not a recommendation to buy, sell or hold the graded instrument, its future market price or suitability for a particular investor. To arrive at the overall grade, amongst various other parameters, CRISIL has considered the company's business prospects, financial performance, management capabilities and corporate governance practices.

The IPO grade assigned to Bajaj Corp reflects its dominant position (~50% market share in value terms) in the light hair oil segment, which constitutes ~14% of the total hair oil market. Light hair oil is positioned as a premium product in the hair oil market. The light hair oil segment grew at a 24% CAGR through CY06-09 as against ~18% growth registered by the overall hair oil industry. Higher growth in the light hair oil segment has been driven by: (a) shift in consumption from unbranded and coconut/heavy hair oils to light hair oil; (b) higher urbanisation (68% of the light hair oil market); and (c) increase in disposable income in the rural markets. The grade also reflects Bajaj Almond Drops' - the flagship brand of Bajaj Corp - ability to consistently increase market share of 46.8% in CY09 (in volume terms), far ahead of its nearest competitor with a 21.5% market share.

The grade factors in the advantages the company enjoys due to the location of its manufacturing facilities in tax-free zones. Notably, the existing capacities at these facilities are sufficient to service the expected growth over the next three-five years.

The grade takes into account Bajaj Corp's strong distribution network, which is comparable to its larger peers. The established distribution network will provide the required strength for future growth in existing as well as new products. The grade is supported by the strong brand recall of 'Bajaj' both in the rural and urban markets. The grade has also factored in the strong management, its experience in the FMCG industry and strong promoter background.

The company is expected to have a strong balance sheet post the IPO, which lends the company enough strength to grow its operations. The company plans to use the IPO proceeds to launch four new products in the personal care segment. It also plans to use part of the IPO proceeds for inorganic growth within the personal care segment. CRISIL Equities believes that the new products will diversify and increase revenues.

The grade is moderated by Bajaj Corp's high dependence on Bajaj Almond Drops (92% of 9MFY10 revenues). It also factors in the risk of higher competition to Bajaj Corp now than in the past. It also takes into account the adverse impact on EBITDA and PAT margins over the next three years due to aggressive advertisement and promotion expenditure for the launch of new products.

Since Bajaj Corp was carved out in April 2008, the company financials are available only from FY09. In 9MFY10, the company's net revenues were ~Rs 2,080 mn, EBITDA margin was 30.9% and PAT margin was 27.2%.

Contacts:

Media

Mitu Samar
Head, Market Development & Communications

CRISIL Limited
Phone: +91-22-3342 1838
Mobile: +91-9820061934
Fax: +91-22-3342 3001
Email: msamar@crisil.com

Analytical

Tarun Bhatia
Director – Capital Markets
Phone: +91-22-3342 3226
Email: tbhatia@crisil.com

Chetan Majithia
Head, Equities
Phone: +91-22-3342 4148
Email: chetanmajithia@crisil.com

CRISIL Limited
Phone: +91-22-3342 3000
Fax: +91-22 -3342 3501

Client - servicing

Client servicing
Phone: +91-22-3342 3561
Email: clientservicing@crisil.com

About the company

Bajaj Corp is the second largest company in the Shishir Bajaj Group of companies. The history of Bajaj Corp dates back to 1953 when Mr Kamalnayan Bajaj established Bajaj Sevashram to market and sell hair oils and other beauty products. Bajaj Sevashram used to manufacture and sell products until December 2000. In January 2001, pursuant to a scheme of demerger of the erstwhile Bajaj Group, it transferred its operating business and assigned the trademarks for all the brands to its subsidiary Bajaj Consumer Care Ltd (BCCL). In April 2008, pursuant to the execution of the Trademark Licence Agreement between BCCL and Bajaj Corp, BCCL assigned the trademarks for the products in favour of Bajaj Corp.

Bajaj Corp manufactures and markets five major brands. The flagship brand, Bajaj Almond Drops, is the market leader in the light hair oil segment with ~50% market share in CY09. Bajaj Almond Drops accounted for ~92% of Bajaj Corps' net sales in the nine-month period ended December 31, 2009. In addition, it markets hair oil under the brand names Bajaj Brahmi Amla, Bajaj Amla Shikakai and Bajaj Jasmine Hair Oil. It also markets oral care products under the brand name Bajaj Kala Dant Manjan.

2

Issue details

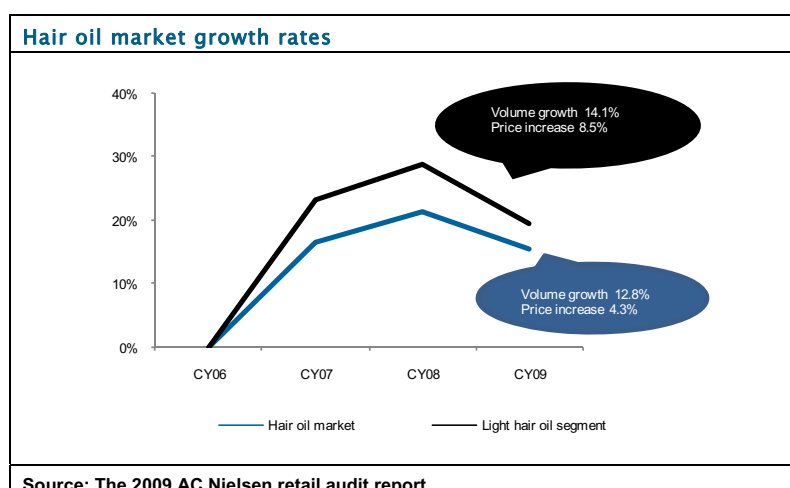
Shares offered to public	4.5 mn
As per cent of post issue equity	15.25%
Object of the Issue	<ul style="list-style-type: none"> Promote future products – Rs 2,200 mn Acquisitions and other strategic initiatives – Rs 500 mn General corporate purposes – not mentioned
Amount proposed to be raised	Not available at the time of grading
Price band	Not available at the time of grading
Lead managers	Kotak Mahindra Capital Company Limited

Detailed Grading Rationale

A. Business Prospects

- Light hair oil segment to continue to grow strong*

The light hair oil segment comprises the premium segment of the hair oil market and constitutes ~14% (in value terms) of the total hair oil market. In the past three years, as per the 2009 AC Nielsen retail audit report, the light hair oil segment has grown at a CAGR of 23.8% on the back of volume growth of 14.1% and price increase of 8.5%. In comparison, the hair oil segment has grown at a CAGR of 17.7%, driven by a volume growth of 12.8% and price increase of 4.3%.



Currently, the light hair oil market is concentrated in the urban market, which constitutes 68% of the segment. With increased focus of vendors, in this segment, on the rural market, the mix is likely to change going forward. On the back of continued urbanisation and higher disposable income in rural markets, the light hair oil segment is expected to continue to grow over the next three-five years. Further, over the past few years, demand for light hair oil has been high despite continuous price hikes, showing acceptance of the product. In light of the above, CRISIL Equities believes the following two factors are the primary drivers for growth in the segment:

- Shift from unbranded hair oils to branded light hair oils.
- Shift from coconut and heavy hair oils to light hair oils.

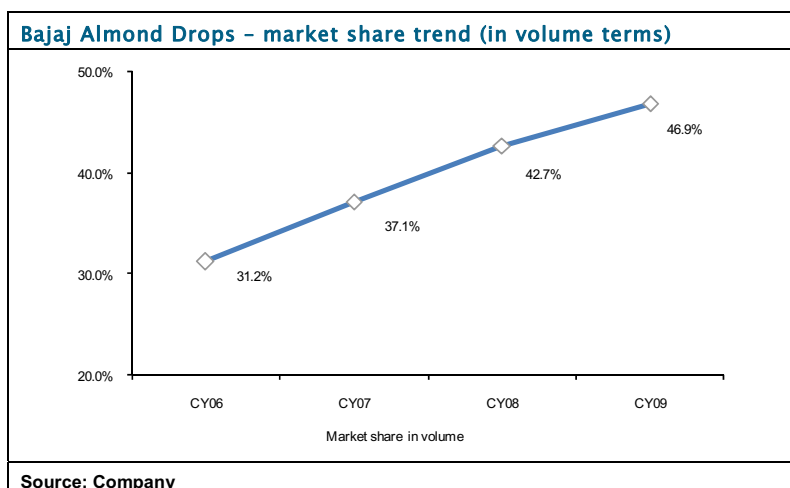
- 'Bajaj' – a strong household brand in India*

The 'Bajaj' brand has more than five decades of history and has been associated with product categories like two-wheelers, FMCG, financial services and other consumer products. It enjoys a strong brand recall both in the rural and urban markets. The demerger of the Bajaj Group continues to allow all the involved parties to use the 'Bajaj' brand. We believe that a strong brand will continue to grow the existing product and also provide leverage while launching new products.

- *Focused strategy has helped Bajaj Almond Drops emerge as the market leader*

The Bajaj Group established the hair oil business in 1953 in the heavy hair oil category with its brand Bajaj Brahmi Amla. Following the demerger of the Bajaj Group and subsequent formation of Bajaj Corp, the company made a conscious move of not getting into aggressive competition with Dabur and decided to focus on a niche segment of the light hair oil market. Also, post the demerger of the erstwhile Bajaj Group, Bajaj Corp has become the second largest company in the Shishir Bajaj Group. This has also led to the group focusing more on the company, which has been reflected in the company's performance.

This segment is dominated by three brands including Bajaj Almond Drops, which together account for approximately 83.5% of sales volume.



Over the past three years, Bajaj Almond Drops, the flagship brand of the company, has consistently increased its market share to 47% in CY09 (in volume terms) from 31% in CY06. Notably, its market share is much higher than the second- and third-largest players in the light hair oil segment with a market share of 21.5% and 15.2% respectively in CY09. Bajaj Almond Drops also commands premium pricing than its peers and has 49.5% market share in value terms as of CY09. Though in the past the company has been able to grow amidst competition, it may face higher competition going forward. This remains a key monitorable.

- *Adequate sales and distribution network to drive future growth*

Bajaj Corp markets its products through a channel of distributors / stockists and retail outlets. The current distribution channel of the company is comparable to that of much larger peers like Dabur. However, the same has not been fully utilised largely due to a single-product driven revenue model. This is evident from low revenue per distributor or retail outlet. The company is geared to benefit from its established distribution network. This will entail existing brands and new products planned to be launched this year.

Distribution network details – FY09

	Distributors	Revenue per distributor in Rs ('000)
Bajaj Corp	4,300*	538
Dabur	5,000	5,697
HUL	10,000	22,194
* Details as of December 2009.		

	Retail outlets (mn)	Revenue per retail outlet (Rs)
Bajaj Corp	1.5*	1,630
GCPL	3.0	3,780
Marico	3.3	8,540
Dabur	2.8	8,630
HUL	6.3	35,230

Source: Company and DRHP

- New launches to diversify revenue, albeit success remains a key monitorable***

Currently, the company faces high revenue concentration as Bajaj Almond Drops contributes over 90% of its revenue. To leverage the 'Bajaj' brand and its established distribution channel, the company plans to launch four new products in the personal care segment over the next year. New product launches will enable the company to diversify its revenue base both within the hair oil segment and also in the personal care segment. We believe that the company can leverage its strong management and experience in the FMCG industry for the new launches. The performance of the new products is a key monitorable going forward.

- Strong balance sheet could boost revenue growth***

Post the IPO, Bajaj Corp will continue to have zero debt and a strong balance sheet. Further, it is expected to continue to generate adequate cash every year. Surplus cash coupled with approximately Rs 500 mn identified by the company out of the net IPO proceeds would be utilised for acquisitions. We believe deployment of cash to expand both organically as well as inorganically will boost the company's revenues.

- Manufacturing facilities at locations with tax benefits***

The company's manufacturing facilities are located in tax-free zones. The company is exempt from paying excise duties for a period of 10 years from fiscal year ended March 31, 2009 and income tax for a period of five years from fiscal year ended March 31, 2009. After the income tax-free period, the company will be taxed at a concessional rate for the following five years. Importantly, the capacity utilisation at these facilities is less than 30% and is more than sufficient to service the expected growth over the next three-five years.

- EBITDA and PAT margins to decline in the near term***

Over the next three years, the company plans to spend heavily on advertisements and promotions for the new products, benefits of which will accrue only over the long term. This is likely to almost double the selling and distribution expenses spend (Rs 746 mn in 9MFY20) in FY11. In such cases, profitability generally takes a hit in the near term. There is likely to be pressure on Bajaj Corp's EBITDA and PAT margins over the next three years. Further, minimal profitability of the newly launched products may also impact the company's overall margins.

- Volatility in raw material prices***

Raw material cost is ~40% of the net revenue which is almost equally distributed amongst core raw material and packaging costs. Light liquid paraffin (LLP) forms the largest component of the core raw materials, the others are vegetable oil, perfumes and almond extracts. LLP is a derivative of crude oil and is subject to price volatility. While in past the company has been able to pass on the increase in raw material cost through price hikes, volatility in raw material prices remains a key monitorable.

B. Financial Performance

Since Bajaj Corp was carved out in April 2008, the financials for the company are available only from FY09.

The company reported net revenues of Rs 2,197 mn in FY09; Bajaj Almond Drops contributed ~92% of the revenues and Bajaj Brahmi Amla contributed ~5%. EBITDA margin was 23.6% and PAT margin was 21.4% in FY09.

In 9MFY10, the company's net revenues were Rs 2,080 mn, EBITDA margin was 30.9% and PAT margin was 27.2%. As of 9MFY10, the company had net cash of Rs 328 mn on its balance sheet.

Financial performance snapshot

		FY09 Actual 12 months	9MFY10 Actual 9 months
Operating income	Rs mn	2197	2080
Operating margins	%	23.6	30.9
Net profits	Rs mn	470	565
Net margins	%	21.4	27.2
ROCE	%	199.3	163.9
RONW	%	183.2	145.4
Basic EPS	Rs	47	22.6
Diluted EPS	Rs	47	22.6
No. of equity shares	Mn	10.0	25.0
Net worth	Rs mn	516	261
Book value (FV Rs 10)	Rs	51.6	10.5
Current ratio	Times	3	1.3

* Note: Numbers have been re-classified as per CRISIL standards

Source: DRHP

C. Management Capabilities and Corporate Governance

Bajaj Corp has a strong professional management team. The senior management comprises people who are experienced in the FMCG business. The chairman and two whole-time directors have been long associated with the Shishir Bajaj Group of companies - drawing synergies as well as focus.

Bajaj Corp has a strong and experienced second line in place. Majority of them have been associated with the group for a long period of time and have rich experience in the FMCG industry. The operational heads have requisite domain expertise and are well aware of the business opportunities, their strengths and weaknesses vis-à-vis peers. We feel the management is capable and has been given considerable freedom to take independent decisions.

Independent directors have a fair understanding of the overall business of the company. The board includes Mr Gaurav Dalmia and Mr Haigreave Khaitan, who belong to reputed business families and hold directorial positions in various other prestigious organisations. We believe the board is well-equipped to provide guidance and exercise oversight over the management.

According to our discussions, we believe that the company has good corporate governance processes in place.

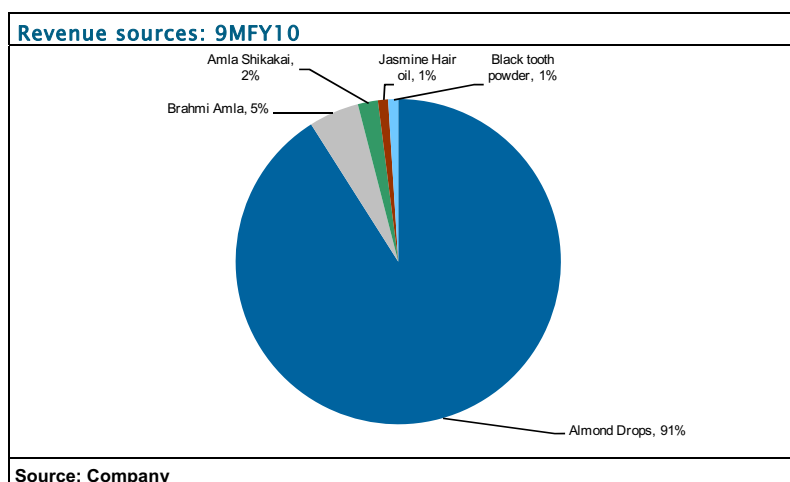
Annexure I

Business Profile

Bajaj Corp primarily operates in only one business line - hair oils. Oral care forms a very small part of the overall business. The oldest brand is Bajaj Brahmi Amla, in existence since 1953. The other brands include Bajaj Amla Shikakai, Bajaj Jasmine Hair Oil and Bajaj Kala Dant Manjan. Bajaj Corp is the third largest producer of hair oils and the largest producer of light hair oils.

Bajaj Corp derives majority of its revenues from a single product, Bajaj Almond Drops. It is a value-added light hair oil and commands a premium. Bajaj Almond Drops is the market leader in the light hair oil segment with a 50% market share.

Bajaj Corp reported operating revenues of Rs 2,080 mn in 9MFY10.



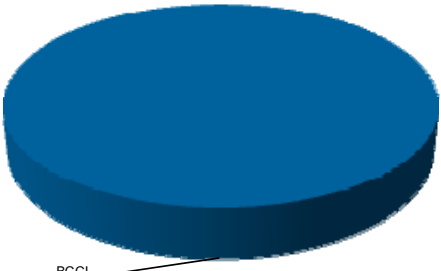
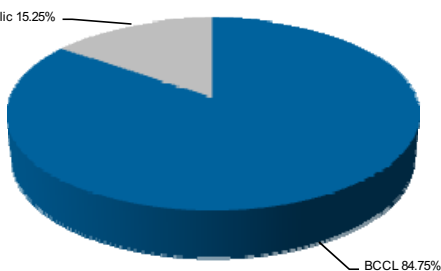
Management and Board Profile

The company has a strong management in place. Mr Kushagra Bajaj, Non-executive Chairman, is the son of Mr Shishir Bajaj and represents the Bajaj family in the company. He is also on the board of Bajaj Hindusthan Limited and BCCL.

The senior management includes Mr Roshan Hinger with over 45 years of experience in companies, which include BCCL and other Bajaj Group companies; and Mr Sumit Malhotra with over 23 years of experience in the FMCG industry - he is responsible for leading sales and marketing initiatives. The key management personnel have more than 20 years of experience. Bajaj Corp has a strong and experienced second line of management in place. Majority of them have been associated with the group for more than six years and have rich experience in the FMCG industry. The operational heads have requisite domain expertise and are well aware of the business opportunities, their strengths and weaknesses vis-à-vis peers. We feel the management is capable and has been given adequate freedom to take independent decisions for execution of tasks.

The company's board comprises seven directors which include four independent directors. The board includes Mr Haigreve Khaitan with more than 15 years of experience in the legal field. Chambers & Partners and Legal 500 have recommended him for his mergers and acquisitions expertise. Mr Gaurav Dalmia is a member of the Dalmia family and was selected as the Global Leader for Tomorrow for the year 2000 by the World Economic Forum. Mr Dilip Cherian has a long standing career in journalism and management consulting. Given the diverse and vast experience, the board is well-equipped to provide guidance and exercise oversight over the management.

Shareholding Pattern

Pre-IPO	Post-IPO
 <p>BCCL 100%*</p>	 <p>Public 15.25%</p> <p>BCCL 84.75%</p>
<p>Source: DRHP</p> <p>*Public shareholding is for 35 shares of the total 25 mn shares for which BCCL is the beneficial owner.</p>	<p>Source: DRHP</p> <p>*Public shareholding is for 35 shares of the total 25 mn shares for which BCCL is the beneficial owner.</p>

Annexure II: Profile of the Directors

Name of Directors	Designation	Age	Qualifications	Experience (years)	Previous Employment	Directorships / partnership in other entities
Mr Kushagra Bajaj	Non-executive Chairperson	33	B.Sc (in Economics, Political Philosophy & Finance), Carnegie Mellon University, USA Masters degree in science in marketing and finance from the Northwestern-University, Chicago	10+		Bajaj Hindusthan Limited. Bajaj Hindusthan Sugar & Industries Limited. Bajaj Capital Ventures Private Limited Bajaj Eco-Tec Products Limited Bajaj Trustee Company Private Limited Bajaj Consumer Care Limited
Mr Roshan Hinger	Vice Chairman and Whole time Director	69	B.Sc, University of Udaipur	45+		Bajaj Consumer Care Limited Bajaj ebiz Private Limited Esugar Clearing Corporation Limited Bajaj Infrastructure Development Company Limited
Mr Sumit Malhotra	Whole time Director	48	Bachelors In Pharmacy, Honours from Institute Of technology, Benaras Hindu University, Varanasi	23+	President, Sales & Marketing, BCCL	
Mr Haigreve Khaitan	Independent Non-Executive Director	39	Bachelors Degree in Law from Calcutta University. Member of Indian Law Institute, Indian council of Arbitration			Ceat Limited Dhunseri Tea & Industries Limited Harrisons Malyalam Limited Hindustan Composites Limited Inox Leisure Limited Jindal Steel & Power Limited Rama NewsPrint & Papers Limited Sterlite Technologies Limited The Madras Aluminium Company Limited The Oudh Sugar Mills Limited Bennett, Coleman & Company Limited BTS Investment Advisors Private Limited Great Eastern Energy Consumption Limited I.G.E (India) Limited Khaitan Consultants Limited Vinar Systems Private Limited
Mr Gaurav Dalmia	Independent Non-Executive Director	43	Bachelors in Computer Science, Salford University, UK Masters in Business Administration with Beta Gamma Sigma honors, Colombia University, USA			Debikay Systems Limited Dalmia Agencies Private Limited Artech Infosystems Private Limited First Capital India Limited Parag Parikh Financial Advisory Services Limited Infinity Technology Investments Private Limited Infinity Technology Trustee Private Limited Landmark Landholdings Private Limited Skylark Consultants Private Limited Artech Steel Industries Private Limited

					India Value Fund Advisors Private Limited
					Astir Properties Private Limited
					New Line Buildtech Private Limited
					Sukhm Infrastructure Private Limited
					Plus One Realtors Private Limited
					New Line Developers Private Limited
					IVF Advisors Private Limited
Mr Dilip Cherian	Independent	53	Bachelors in	Worked as an	Perfect Relations Limited
	Non-Executive Director		Economics, Presidency College Calcutta University Masters in Economics, Delhi School of Economics, Delhi	Economic Consultant in Bureau of Industrial costs in the Ministry of Industry, GOI	Image Public Relations Private Limited
					Imprimis Life PR Private Limited
					Perfect PR Communications Services Private Limited
					College Hill Perfect Financial Relations Private Limited
					Accord Public Relations Private Limited
					Spring Sport and Sustainability Private Limited
					Webgyor.com Private Limited
					Mathew Easow Research Securities Limited
					Muzaffar Ali Communications Arts Private Limited
					Radio MID Day West Limited
					The Advertising Standard Council of India
					Nisco Ventures Private Limited
Mr Aditya Somani	Independent	36	Masters Degree in Commerce, Sydenham College, Mumbai PG Diploma in Business Management, S.P. Jain Institute of Management and Research, Mumbai Masters in Business Administration, Pittsburgh, USA		Everest Finvest Private Limited
	Non-Executive Director				Falak Investments Private Limited
					Salaam Bombay Foundation
					White Knight Construction Private Limited
					Everest Industries Limited

Source: DRHP

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