

**FAST TRAIN CARGO LIMITED**

(Our Company was incorporated on November 18, 2005 under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. The status of our Company was changed to a public limited company and the name of our Company was changed to Fast Train Cargo Limited by a special resolution passed on November 11, 2011. The fresh certificate of incorporation consequent to the change of name was granted to our Company on December 14, 2011, by the Registrar of Companies, Maharashtra, Mumbai.)

Registered Office: Victoria House, Victoria Mill Compound, Office No. 1A, Opposite Bombay Dyeing Mills, P.B. Marg, Lower Parel, Mumbai 400013, Maharashtra, India.

Tel.: + 91-22-24975001 **Fax:** + 91-22-24975008 **Website:** www.fasttrainc.com **Email:** ipo@fasttrainc.com

Company Secretary and Compliance Officer: Ms. Anshu Shrivastava **Email:** csanshu@fasttrainc.com

PROMOTERS OF OUR COMPANY: MR. NITIN PRABHUDAS SOMANI AND MRS. SONAL NITIN SOMANI

PUBLIC ISSUE OF 5,283,000 EQUITY SHARES OF ₹ 10 EACH OF FAST TRAIN CARGO LIMITED ("OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING ₹ [●] LAKHS (THE "ISSUE"). THE ISSUE WOULD CONSTITUTE 48.99 % OF THE POST ISSUE PAID-UP CAPITAL OF OUR COMPANY.

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

THE FLOOR PRICE IS [●] TIMES OF THE FACE VALUE AND THE CAP PRICE IS [●] TIMES OF THE FACE VALUE

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

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional working days after revision of the Price Band, subject to the Bidding/ Issue Period not exceeding ten working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to BSE Limited ("BSE") and the National Stock Exchange of India Limited ("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 other members of the Syndicate.

The Issue is being made through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIB") Bidders. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. 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 Bank ("SCSB") for the same. For details, see section titled "Issue Procedure" on page no. 207 of this Draft 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 our Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price (has been determined and justified by the BRLM and the Issuer as stated under the section titled "Basis for Issue Price" on page no. 39 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after they are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

IPO GRADING

This Issue has been graded by [●] as [●], indicating [●]. The IPO grade 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 section titled "General Information", "Other Regulatory and Statutory Disclosures" on page nos. 12 and 188 of this Draft Red Herring Prospectus.

GENERAL RISKS

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

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this DRHP 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 are proposed to be listed on BSE and NSE. We have received 'in-principle' approval from BSE and NSE, vide their letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE.

BOOK RUNNING LEAD MANAGER**ASHIKA CAPITAL LIMITED**

1008, 10th Floor, Raheja Centre,
214, Nariman Point, Mumbai - 400 021.

Tel.: +91-22-6611 1700; **Fax:** +91-22-6611 1710

E-mail: mbd@ashikagroup.com; **Website:** www.ashikagroup.com

Contact Person: Mr. Pranav Nagar / Ms. Nidhi Shah

SEBI Regn. Number: INM 000010536

REGISTRAR TO THE ISSUE**BIGSHARE SERVICES PRIVATE LIMITED**

E/2, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (East), Mumbai 400 072.

Tel.: +91-22-40430200; **Fax:** +91-22-28475207

Email: ipo@bigshareonline.com; **Website:** www.bigshareonline.com

Contact Person: Mr. Babu Raphael

SEBI Regn. Number: INR000001385

BID / ISSUE PROGRAMME

BID / ISSUE OPENS ON : [●]

BID / ISSUE CLOSES ON : [●]

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Term	Description
“FTCL”, “FTC”, “We”, “us”, “our”, “Issuer”, “the Company” and “our Company”	Unless the context otherwise indicates or implies to include refers to Fast Train Cargo Limited

Company Related Terms

Term	Description
Articles / Articles of Association	Articles of Association of our Company, as amended
Auditors	The statutory auditors of our Company being, M/s. Sandeep Rathi and Associates, Chartered Accountants
Board/ Board of Directors	Board of Directors of our Company or a committee constituted thereof
Directors	Directors of our Company, unless otherwise specified
Equity Shares	Equity shares of our Company of ₹ 10 each fully paid-up, unless otherwise specified in the context thereof
Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended
Promoters	Mr. Nitin Prabhudas Somani (Nitin Somani) and Mrs. Sonal Nitin Somani (Sonal Somani)
Promoter Group	The companies, entities and the individuals mentioned in the section titled “Our Promoters and Promoter Group” on page no. 121 of this Draft Red Herring Prospectus
Registered Office	Victoria House, Victoria Mill Compound, Office No. 1A, Opposite Bombay Dyeing Mills, P.B. Marg, Lower Parel, Mumbai - 400013, Maharashtra, India

Conventional or General Terms

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956, as amended from time to time
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
ASE	Ahmedabad Stock Exchange Ltd.
AY	Assessment Year
BSE	BSE Limited
BPLR	Benchmark Prime Lending Rate of the relevant bank
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Central Excise and Service Tax Appellate Tribunal
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996 as amended from time to time
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
DP ID	Depository Participant’s Identity
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Unless otherwise specified, Earnings Per Share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares during that fiscal year
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations there under

Term	Description
	and amendments thereto
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
Financial Year/ Fiscal Year/ FY	Period of twelve months ended March 31 of that particular year
FIPB	The Foreign Investment Promotion Board
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GoI/Government	Government of India
HNI	High Net-worth Individual
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
I.T. Act	The Income Tax Act, 1961, as amended from time to time
KMP	Key Managerial Personnel
Mn / mn	Million
MSE	Madras Stock Exchange Ltd.
NA	Not Applicable
NAV	Net Asset Value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of Profit and Loss account, divided by number of issued equity shares
NOC	No Objection Certificate
NEFT	National Electronic Fund Transfer
NRE Account	Non Resident External Account
NRI(s)	Non Resident Indian(s)
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Transfer or Issue of Foreign Security by a Person resident outside India) Regulations, 2000. OCBs are not allowed to participate in this Issue.
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Persons of Indian Origin
POD	Proof of Delivery
QIB	Qualified Institutional Buyer
RBI	The Reserve Bank of India
RONW	Return on Net Worth
RoC	The Registrar of Companies, Maharashtra, Mumbai.
Rs. / ₹	Indian Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time

Term	Description
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
SEBI (SAST) Regulations / Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and 2011 as amended from time to time
Sec.	Section
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India as mentioned
Sq. Ft./sq. Ft	Square feet
UIN	Unique Identification Number
U.S./USA	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US\$	United States Dollars
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time

Issue Related Terms

Term	Description
Allotment / Allot	Unless the context otherwise requires, the issue/allotment of Equity Shares, pursuant to the Issue.
Allottee	A successful Bidder to whom the Equity Shares shall be allotted
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by a Resident Retail Individual Bidder to make a Bid authorising a SCSB to block the Bid Amount in their specified bank account maintained with the SCSB
ASBA Account	A bank account maintained with an SCSB wherein a Payment Amount is blocked pursuant to submission of a Bid cum Application Form by an ASBA Bidder.
ASBA Bidder	Any Bidder applying through ASBA by way of the Bid cum Application Form or Electronic ASBA Form, in accordance with the terms of the Red Herring Prospectus. All QIBs and Non-Institutional Bidders shall mandatorily participate in the Issue through the ASBA Process.
ASBA Public Issue Account	A bank account of the Company opened under Section 73 of the Act, where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Bidders on the Designated Date
Ashika	Ashika Capital Limited, Book Running Lead Manager for the Issue
Basis of Allotment	The basis on which Equity Shares will be Allotted to Bidders under the Issue and which is described in “Issue Procedure – Basis of Allotment” on page no. 237 of this Draft Red Herring Prospectus
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of Bid cum Application Form or ASBA Bid cum Application Form, as the case may be, to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue
Bid cum Application Form	The form in terms of which the Bidder (ASBA and Non-ASBA) shall make an offer to subscribe for or purchase our Equity Shares and which will be considered as the application for the issue of the Equity Shares pursuant to the terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. As per the SEBI circular dated September 27, 2011 bearing no. CIR/CFD/DIL/4/2011, there would be only a single form for ASBA and Non-ASBA applicants. This Bid cum Application Form, accompanied with the Abridged Prospectus, would be printed in a booklet form of A4 size paper.
Bid/Issue Closing Date	The date after which the Syndicate Members will not accept any Bids for the Issue, which shall be notified in a widely circulated English national newspaper, a widely

Term	Description
	circulated Hindi national newspaper and a widely circulated Regional newspaper
Bid/Issue Opening Date	The date on which the Syndicate Members shall start accepting Bids for the Issue, which shall be the date notified in a widely circulated English national newspaper, a widely circulated Hindi national newspaper and a widely circulated Regional newspaper.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form and ASBA Bid cum Application Form
Bidding / Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date (inclusive of both days) and during which Bidders can submit their Bids, including any revisions thereof
Book Building Process	The book building process as provided in Schedule XI of the SEBI (ICDR) Regulations, in terms of which this Issue is being made
BRLM / Book Running Lead Manager	The book running lead manager to the Issue, in this case being Ashika Capital Limited.
CAN / Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
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.
CARE Ltd.	Credit Analysis & Research Limited
Controlling Branches	Such branches of the SCSB which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchanges and a list of which is available on http://www.sebi.gov.in
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders whose Bid Amount does not exceed ₹ 200,000, are entitled to Bid at Cut Off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at Cut-off Price.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the ASBA Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus	This Draft Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars on the price at which the Equity Shares are offered and the size (in terms of value) of the Issue.
Electronic ASBA Bid cum Application Form	The electronic form available on the website of the Bank and applied through the internet banking provided by the Bank, used by an ASBA Bidder to make an offer to subscribe for or purchase our Equity Shares and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and Prospectus
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe for or purchase the Equity Shares offered thereby.
Escrow Account(s)	The accounts opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount.
Escrow Agreement	An agreement to be entered into by our Company, the Registrar, BRLM, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.
Escrow Collection Bank(s)	The banks that are clearing members and registered with SEBI as Bankers to the Issue with whom the Escrow Account(s) will be opened and in this case being [●].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision

Term	Description
	Form or the ASBA Bid cum Application Form.
Floor Price	The lower end of the Price Band, above which the Issue Price will be finalized and below which no Bids will be accepted.
IPO Grading Agency	[●]
Issue	Public issue of 5,283,000 Equity Shares of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●].
Issue Period	The Issue period shall be [●] being the Bid /Issue Opening Date to [●] being Bid / Issue closing Date
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date.
Issue Proceeds	The proceeds of the Issue that would be available to our Company after receipt of final listing and trading approvals
Mutual Fund Portion	5% of the QIB Portion, equal to 132,075 Equity Shares available for allocation to Mutual Funds only, out of the QIB Portion
Mutual Funds	Mutual fund(s) registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue and comprising up to 792,450 Equity Shares available for allocation to Non Institutional Bidders, subject to valid Bids being received at or above the Issue Price
Non-Resident Indian/NRIs	A person resident outside India, as defined under FEMA and the FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time
Non-Resident/NRs	All eligible Bidders that are persons resident outside India, as defined under FEMA, including Eligible NRIs, FIIs and FVCIs
Price Band	Price band of a minimum price (floor of the price band) of ₹ [●] and the maximum price (cap of the price band) of ₹ [●] and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in two national newspapers (one each in English and Hindi) and in one Regional newspaper with wide circulation at least two working days prior to the Bid/Issue Opening Date
Pricing Date	The date on which our Company in consultation with the BRLM finalises the Issue Price
Prospectus	The Prospectus to be filed with the RoC in terms of Section 60 of the Companies Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information
Public Issue Account	Account opened with the Escrow Collection Bank(s) to receive monies from the Escrow Account on the Designated Date
QIB Portion	The portion of the Issue being not more than 50% of the Issue, comprising of 2,641,500 Equity Shares of ₹ 10 each to be allotted to QIBs on a proportionate basis at the Issue Price
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, FIIs and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million in accordance with applicable law and National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India and Insurance Funds set up and managed by the army, navy or air force of the Union of India and Insurance Funds set up and managed by the Department of Posts in India.”
Red Herring Prospectus	The Red Herring Prospectus issued in accordance with Section 60B of the Companies

Term	Description
	Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three (3) days before the Bid Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The account opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding to the ASBA Bidders) shall be made
Refund Banker	Refund banker, in this case being [●]
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit, RTGS or the ASBA process, as applicable.
Registrar / Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Pvt. Ltd.
Retail Individual Bidder(s)	Individual Bidders (including HUFs applying through their Karta and Eligible NRIs) who have not Bid for Equity Shares for an amount more than ₹ 200,000 in any of the bidding options in the Issue.
Retail Portion	The portion of the Issue being not less than 35% of the Issue, comprising of 1,849,050 Equity Shares available for allocation to Retail Individual Bidder(s)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s)
Self Certified Syndicate Bank or SCSB	The Banks which are registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in
Stock Exchanges	BSE and NSE
Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement to be entered into between the Syndicate and our Company in relation to the collection of Bids in this Issue (excluding Bids from the ASBA Bidders)
Syndicate ASBA	The Syndicate Member / Sub-syndicate Members (Stock brokers registered with SEBI), who may procure ASBA forms from the investors, upload the bids and other relevant details of such ASBA forms in the bidding platform provided by the stock exchanges and forward the same to the designated SCSBs
Syndicate ASBA Bidders	ASBA Bidders submitting their Bids through the members of the Syndicate or their respective sub-syndicate members at the Syndicate ASBA Centres.
Syndicate ASBA Centre	The bidding centres of the members of the Syndicate or their respective sub-syndicate members in Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda and Surat as specified by way of the SEBI circular dated April 29, 2011, bearing no. CIR/CFD/DIL/1/2011.
Syndicate Member(s)	[●]
TRS / Transaction Registration Slip	The slip or document issued by the Syndicate or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	The BRLM and the Syndicate Members
Underwriting Agreement	The Agreement between the members of the Syndicate and our Company to be entered into on or after the Pricing Date
Working Day	Any day other than Saturday or Sunday on which commercial banks in Mumbai are open for business, provided however, for the purposes of the time period between Bid/Issue Closing Date and listing, "Working Days" shall mean all days other than Sundays and bank holidays, in accordance with the SEBI circular dated April 22, 2010.

Industry Related Terms / Abbreviations

Terms	Description
3PL	Third Party Logistics
4PL	Fourth Party Logistics
AAI	Airports Authority of India
B/L	Bill of Lading
BS	Budgetary Sources
Cu.m. / Cbm	Cubic Meter
CFS	Container Freight Station
CHA	Custom House Agents

CII	Confederation of Indian Industry
CMIE	Centre for Monitoring Indian Economy
COC	Carrier Owned Container
CWC	Central Warehousing Corporation Limited (A Government of India undertaking)
DF	Deterioration Factor
DGCA	Director General of Civil Aviation
DIPP	Department of Industrial Policy and Promotion
EDI	Electronic Data Interface
EFSF	European Financial Stability Facility
FCL	Full Container Load
FF	Freight Forwarders
FIPB	Foreign Investment Promotion Board
FMCG	Fast Moving Consumer Goods
FTL	Full Truck Load
FTWZs	Free trade warehouse zones
GST	Goods and Service Tax
HCVs	Heavy Commercial Vehicles
HTC	Handling and Transport Contractor
IATA	International Air Transport Association
ICD	Inland Container Depot
ICVs	Intermediate Commercial Vehicles
IGM	Import General Manifest
IMF	International Monetary Fund
IWAI	The Inland Waterways Authority of India
IWT	Inland Water Transport
LCV	Light Commercial Vehicle
LCV PC	Light Commercial Vehicle and Passenger Carriers
LPTs	Load Passenger Truck
MCC	Multi City Consolidation
MCVs	Medium commercial Vehicles
MIHAN	The Multimodal International Hub Airport at Nagpur
MMTG	Multimodal Transport of Goods Act, 1993
M & HCV	Medium and Heavy Commercial Vehicle
MTD	Multimodal Transport Document
MTO	Multimodal Transport Operator
NHAI	National Highway Authority of India
NHDP	National Highway Development Project
NVOCC	Non – Vessel Owning Common Carrier
NWs	National Waterways
ODC	Over Dimensional Cargo
OWC	Over Weight Cargo
POD	Proof of Delivery
PPP	Public Private Partnership
PTL	Part Truck Load
SAARC	South Asia Association for Regional Cooperation
SARDP-NE	Special Accelerated Road Development Program in the North East
STA	State Transport Authority
TCI	Transport Corporation of India
THC	Terminal Handling Charges
WDRA	Warehousing Development and Regulatory Authority Rules

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**Financial Data**

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our restated financial statements prepared in accordance with Indian GAAP and the SEBI (ICDR) Regulations, which are included in this Draft Red Herring Prospectus. Our fiscal year commences on April 1 and ends on March 31 of the next year, so all references to a particular fiscal year are to the twelve-month period ended on March 31 of that year. Our Company only has unconsolidated financial statements for the year ended March 31, 2008, March 31, 2009, March 31, 2010, March 31, 2011, and March 31, 2012 as our Company does not have any subsidiaries.

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

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

Currency and units of Presentation

All references to "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "U.S.\$", "USD", "U.S. Dollar(s)" or "US Dollar(s)" are to United States Dollars, the official currency of the United States of America. All references to GBP or "£" are to Pound Sterling, the official currency of the United Kingdom. All references to Euro or "€" are to Euro, the official currency of certain member states of the European Union.

This Draft Red Herring Prospectus contains translations of certain USD, GBP or Euro amounts into Indian Rupees that have been presented solely to comply with the requirements of Clause VIII (G) of Part A, Schedule VIII of the SEBI (ICDR) Regulations.

Unless otherwise specified, all currency translations provided herein have been made based on the RBI reference rate specified as of March 31, 2012 which was US\$1.00 = ₹ 51.16, £1.00 = ₹ 81.80 and €1 = ₹ 68.34 (*Source: Reserve Bank of India available at www.rbi.org.in/scripts/ReferenceRateArchive.aspx*). Such translations should not be considered as representation that such foreign currency amounts have been, or could have been or could be converted into ₹ at any particular rate, the rates stated above or at all.

Industry and Market Data

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

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

NOTICE TO INVESTORS

The Equity Shares have not been recommended by any US federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”) and, unless so registered, 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.

Accordingly, the Equity Shares are being offered and sold (a) 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 Draft Red Herring Prospectus 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 Draft Red Herring Prospectus as “QIBs”) in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area (“EEA”), from the requirement to produce a prospectus for offers of Equity Shares. The expression “Prospectus Directive” means Directive 2003/71/EC of the European Parliament and Council and includes any relevant implementing measure in each Relevant Member State (as defined below). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which is the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company or any of the Underwriters to produce a prospectus for such offer. None of the Company and the Underwriters have authorised, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Underwriters which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

FORWARD-LOOKING STATEMENTS

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

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

1. Failure to commence and complete our proposed land acquisition and warehouse construction as scheduled;
2. Our inability to effectively expand our portfolio of projects and to manage our growth or to successfully implement our business plan and growth strategy;
3. Our failure to keep up with any technological changes in the Logistics Industry;
4. Prolonged price competition, increased costs of fuel or reduced operating margins;
5. The monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates;
6. Foreign exchange rates, equity prices or other rates or prices;
7. The performance of the financial markets in India;
8. General economic and business conditions in India;
9. Changes in laws and regulations that apply to the Logistics Industry;
10. Changes in political conditions in India.

For further discussion of factors that could cause our actual results to differ, see the sections titled “Risk Factors” and “Management’s Discussion of Financial Condition and Results of Operations” on page nos. xii and 158 of this Draft Red Herring Prospectus.

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

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risk and uncertainties described below, before making an investment in our equity shares. If any of the following risk actually occurs, our business, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

The Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus.

Unless specified or quantified in the relevant risk factors mentioned below, the Company is not in a position to ascertain the financial and other implication of any of the other risks mentioned below.

Materiality

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

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material individually but may be found material collectively;
4. Some events may not be material at present but may be having material impact in future.

Internal Risk Factors

1. There are outstanding legal proceedings involving our Company, Promoters, Directors and our Promoter Group Entities

There are outstanding legal proceedings involving our Company, Promoters, Directors and our Group Entities. These proceedings are pending at different levels before various courts, tribunals, affiliate tribunals, enquiry officers, etc. For further details, see Section titled “Outstanding Litigations and Material Developments” on page no. 172 of this DRHP. In addition, further liability may arise out of these claims. Brief details of such outstanding litigations as of the date of this DRHP are as follows:

Litigation involving our Company

Nature of Cases	No. of outstanding cases	Amount involved (₹)
Civil	2	389,525
Notices	6	3,129,231

Litigation involving our Promoters

Nature of Cases	No. of outstanding cases	Amount involved (₹)
Civil	1	500,000
Arbitration	1	1,043,438
Notice	1	1,801,168

Litigation involving our Directors (other than Promoters)

Nature of Cases	No. of outstanding cases	Amount involved (₹)
Notice	1	1,801,168

Litigation involving our Promoter Group /Entities

Group Entity	Nature of Cases	No. of outstanding cases	Amount involved (₹)
Shree Fast Courier and Cargo Private Limited	Notice	1	1,801,168
	Criminal	1	600,000
Fast Air Cargo Private Limited	Notice	1	1,801,168
	Criminal	1	2,677,000

- 2. Citibank NA has issued a notice to our Company, Promoters, Directors and Group Companies for recovery of amounts allegedly due, where our Company is a guarantor and any adverse outcome of the same may have a negative impact on our cash flows**

Citibank NA has issued a notice dated November 10, 2009 through its advocates to Mr. Nitin Somani, Mrs. Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, our Company and Mr. Manoj Somani under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act for an amount of ₹ 1,801,168 allegedly due and payable, plus interest at the rate of 13.25% per annum. Subsequently, Citibank NA has issued a letter dated March 13, 2012 for preclosure of the loan for a settled amount of ₹ 1,405,541.52 out of which ₹ 300,000 has been paid on March 30, 2012. However, non-payment of the balance due by Mr. Nitin Somani may result in financial outflow which may have an adverse impact on our Company's financials since our Company is a guarantor. For further details, see Section titled "Outstanding Litigations and Material Developments" on page no. 172 of this DRHP.

- 3. Our Company operates under several regulatory licenses and approvals. Failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations**

Our Company requires several regulatory licenses and approvals for operating the business. It is subject to a number of transportation laws and regulations which are liable to change based on new legislation and regulatory initiatives. Our Company is required to comply with various regulations in connection with restrictions which specify the actual weight to be carried by our vehicles, permissible emission limits or restrictions on the age of vehicles operating within certain States. Many of these approvals require renewal from time to time.

Though the application for renewal of existing licenses/approvals will be made to the respective authorities as and when required, there can be no assurance that the relevant authority will renew any of such licenses/approvals. If our company does not receive the requisite approvals/licenses, our operations may be adversely affected.

Further, these permits, licenses and approvals are subject to several conditions and our Company cannot assure that it shall be able to continuously meet the conditions and this may lead to cancellation, revocation or suspension of relevant permits, licenses and/or approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals may result in the interruption of our Company's operations and may have a material impact on our business. For further details regarding statutory approvals please refer to the section "Government and other approvals" on page no. 181 of this DRHP.

- 4. Our Company has allotted Equity Shares during the preceding one year from the date of the DRHP which may be lower than the Issue Price**

Our Company has allotted the following Equity Shares during the preceding one year from the date of the DRHP which may be lower than the Issue Price:

Date of Allotment	Number of Shares	Issue Price (in ₹)
September 08, 2011	5,09,000	100
October 05, 2011	80,000	100
November 05, 2011	3,11,000	100

- 5. Hasti Finance Limited, one of our Promoter Group Entities, has not complied with the Listing Agreement in the past**

HFL, under the erstwhile promoters had faced suspension of its securities on BSE due to non-compliances of certain provisions of Listing Agreement on three occasions i.e. September 2006, March 2008 and March 2009. After our Promoters took the control over management and acquired substantial shares of HFL through Share Purchase Agreement (SPA) and Open Offer in August 2009, there was no suspension of securities.

Further, there have been instances of delay in the filings as required under the Listing Agreement with the Stock Exchanges as well as non-compliances of clause 41 (VI), 41 (III), 41 (I) (c) (i) and Annexure – IC

under Clause 49 of the Listing Agreement. HFL and our Promoters have taken necessary measures to ensure that these delays and non-compliances do not recur in future.

6. An upward trend in prices of the fuel and our inability to pass the additional cost of fuel to our customers could adversely affect our operations and profitability

Fuel costs form an integral component of our operating cost. In the FY 2011-12, fuel cost comprised approximately 20% of the total operating costs. Thus, our results of operation and financial condition depend substantially on the price of fuel. The prices of such fuels, which are petroleum products, in turn, depend on several factors beyond our control, including, inter alia:

- i. The international prices of crude oil and petroleum products,
- ii. Global and regional demand and supply conditions,
- iii. Geopolitical uncertainties,
- iv. Import cost of crude oil,
- v. Central and State government policies and regulations concerning pricing, subsidies,
- vi. Price and availability of alternative fuels and technologies

The price of crude oil and petroleum products has risen significantly over the years. In view of the above, our Company is exposed to the impact of frequent fluctuations in fuel prices. In the event of rise in fuel prices, our Company might not be able to pass on this increase in price to our customers either wholly or partly, which would adversely affect our profit margins. Further, our Company might not be able to accurately gauge or predict the volatility and trends in fuel price movements which may affect our business plans and prospects, growth estimates, financial condition and results of operations.

7. Our Company has not entered into any long-term contracts with any of its customers and typically operate on the basis of orders, which could adversely impact our revenues and profitability

Our Company has not entered into any long-term contracts with any of its customers and any change in the customer preferences or requirements could adversely affect the business of our Company. Although our Company has satisfactory business relations with the customers and has received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

8. The property used by our Company for the registered office and many of the warehouses / depots are not owned by us. Any adverse impact on the title/ownership rights of the Licensor/owner or breach of the terms/ non renewal of the lease / license agreement as per terms and conditions favourable to us or at all may temporarily impede our operations

Our Company's Registered Office is on lease from one of our Promoters, Mr. Nitin Somani. Besides, our Company has 45 depots across various cities which are rented / leased / not owned. For details of the above mentioned properties, please refer the section of 'Properties' under the Chapter titled 'Our Business' beginning on page no. 71 of this DRHP. If such leases are terminated or not renewed at all or on terms which are favourable to us, our Company may suffer a temporary disruption in operations and alternative premises may not be available at the same or similar costs or locations, either or both of which could have a material adverse effect on our business, financial condition and results of operations.

9. Our business income comprises of approximately 68% from railway transport. Any abatement of business in this segment or closure of this segment will have an adverse impact on the financial condition and results of operations

Out of the total operating income for the year ended March 31, 2012 of ₹ 6,508.16 lakhs, approximately 68% income is generated using the railways as the mode of transport. In case there is a decrease in the amount of orders in this segment and / or closure of this segment due to statutory, legal or any other reason our financial condition will be adversely affected. Though our Company plans to expand its operation to roadways, which currently forms approximately 25% of the operating income, loss of business in railways could hamper the results of operations of our Company in a considerable way.

10. Our Company has negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could impact our growth and business

Our Company had a negative cash flows from our operating activities, investing activities as well as financing activities in the previous years as per the Restated Financial Statements and the same are summarised as under:

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Net Cash used in Operating Activities	(412.38)	-	-	-	-
Net Cash used in Investing Activities	(798.42)	(50.15)	(36.46)	(190.03)	(206.60)
Net Cash used in Financing Activities	-	(108.45)	(348.21)	-	-

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

11. Our Company has entered into certain related party transactions and may continue to do so

Our Company has entered into related party transactions with our Promoters, Directors, Promoter Group and Promoter Group Entities aggregating to ₹ 891.06 lakhs for the year ended March 31, 2012. While our Company believe that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to section titled “Financial Statements - Related Party Transactions” Annexure XII on page no. 152 of this Draft Red Herring Prospectus.

12. Our Company has certain contingent liabilities, which have not been provided for. Crystallization of any of these contingent liabilities may adversely affect our financial condition

The contingent liabilities of our Company not provided for, as certified by our statutory auditors are as under:

(₹ in lakhs)

Sr. No.	Nature of Liability	As on March 31, 2012
1.	Loan taken by Directors from Citibank	223.32
2.	Overdraft facility enjoyed by Shree Fast Courier & Cargo Pvt. Ltd.	125.46
3.	Loan availed by Group Company from Standard Chartered Bank	127.79
4.	Interest amount due on loan taken by Directors from Citibank	11.06
5.	Pending case before Labour court, workmen compensation commissioner	3.39
6.	Employees claim for accidental benefits	0.50
	Total	491.52

In the event any of these contingent liabilities gets crystallized, our financial condition may be adversely affected. For further information, please refer “Annexure XIII” beginning on page no. 153 under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page no. 139 of the Draft Red Herring Prospectus.

13. Our Promoter Group Entities have incurred losses during the last three financial years

Some of our Promoter Group Entities have incurred losses during the last three financial years, details of which are as under:

Unlisted Companies

(₹ in lakhs)

Name of the Company	March 31, 2011	March 31, 2010	March 31, 2009
Fast Realty Private Limited	(0.05)	(0.09)	(0.10)
Fenix Software Solutions Private Limited	(0.04)	(0.04)	(0.04)
Shabd Brahma Developers Private Limited	(0.07)	(0.06)	(0.04)
First International Hotels Private Limited	(0.41)	(0.41)	(0.41)
Focal Courier And Cargo Private Limited	(0.04)	(0.04)	-
Eswar Air Freight Private Limited	(0.04)	(0.04)	-
Fast Agrifarms Private Limited	(0.04)	-	-
Kisan Commodities Private Limited	(0.20)	-	-
NST Realty Private Limited	(0.04)	-	-

Partnership / Proprietorship Firms

(₹ in lakhs)

Name of the Firm	March 31, 2011	March 31, 2010	March 31, 2009
M/s. First International Hotels (Partnership)	Negligible	-	-
M/s. Krypton Construction and Realtors (Partnership)	(0.15)	-	-

Trusts

(₹ in lakhs)

Name of the Trust	March 31, 2011	March 31, 2010	March 31, 2009
Somani Education Trust	(0.01)	(0.01)	(0.01)

14. The Main Object Clause of some of our Promoter Group Entities permit them to undertake business similar to that of ours and may create potential conflict of interest

The Main Object Clause of our Promoter Group Entities viz. Shree Fast Courier Pvt. Ltd, Fast Air Cargo Private Limited, Focal Courier and Cargo Private Limited, Eswar Air Freight Private Limited, M/s. Fast Train Cargo and M/s. Fast Courier and Cargo permits it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Also, our Company does not have any non-compete or such other agreement/ arrangement with the above said companies. For further details, please refer to the chapters titled 'Business Overview', 'Promoters Group Entities', beginning on page nos. 71 and 123, respectively and section titled 'Statement of Related Party Transactions' on page no. 152 of this Draft Red Herring Prospectus.

15. Our Company is yet to place orders for all the vehicles aggregating to ₹ 1,386.57 lakhs and entire office equipments, aggregating to ₹ 61.06 lakhs required towards our proposed expansion. Any delay in placing the orders or their supply thereof may result in cost and time overrun and thereby affect our profitability

The Issue proceeds are proposed to fund the planned expansion as explained in the section "Objects of the Issue" beginning on page no. 29 of this Draft Red Herring Prospectus. Our Company, propose to acquire vehicles aggregating to ₹ 1386.57 lakhs which is [●] % of the total cost of the project and office equipment aggregating to ₹ 61.06 lakhs which is [●] % of the total cost of the project. Our Company has not yet placed any orders for either the vehicles or the office equipments required. Therefore, our Company is subject to risks on account of inflation in the price of vehicles and office equipments. Any delay in placing the orders or their supply thereof may result in cost and time overrun.

16. Our business heavily relies on rail and road transport and any disruptions/ delays could adversely affect us and lead to a loss of reputation and/ or profitability

Our business operations heavily rely on rail and road network. There are various factors which affect road and rail transport such as political unrest, communal riots, bad weather conditions, natural calamities,

regional disturbances, negligent driving, improper conduct of the drivers / motormen, theft, accidents or mishaps, communal violence, third party negligence and other reasons. Some of these factors could cause extensive damage and affect our operations and / or condition of our fleet and thereby increase our maintenance and operational cost. Also, any such interruption or disruptions could cause delays in the delivery of our consignment at their destination and/ or also cause damage to the transported cargo. Our Company might be held liable to pay compensation for losses incurred by our customers in this regard, and/ or losses or injuries sustained by other third parties. Further, such delays and/ or damage may cause a loss of reputation, which, over a period of time could lead to a decline in business. In the event that the goods to be delivered are perishable in nature, any delay in the delivery of such cargo also exposes us to additional losses and claims. Although, some of these risks are beyond our control, our Company might still be liable for the condition of such cargo and their timely delivery and any disruptions/ delays could adversely affect us and lead to a loss of reputation and/ or profitability.

17. Goods may be damaged in transit and our Company might not be able to recover freight charges on such goods, which may adversely affect our results of operation

Our Company takes adequate measures to ensure goods transported do not get damaged during transit. However, in cases where the goods get damaged during transportation, our Company is liable to the customer for the cost of such goods. In order to salvage a part of the cost of such goods, our Company may conduct auctions of the damaged goods to recover part of cost. The loss caused due to the damage of goods may affect our results of operation as our Company might be unable to recover freight charges, and may also cause reputational risk if the frequency at which the goods get damaged increases.

18. Our Company does not verify the contents of the parcels transported, exposing us to the risks associated with transport of hazardous and/or illegal goods, which could adversely affect our operations and also our reputation

Our Company undertake transport of various goods viz. ceramics, glass, chemicals etc. as part of our cargo transport business. However, our Company does not independently verify the contents of parcels being transported. Our Company also does not have any tools/equipments to check all its consignments before these are loaded into our vehicles or rail coaches. Therefore, our Company cannot guarantee that consignments carried by us do not contain any hazardous / illegal goods. In the event that such cargo is found in our vehicles, our vehicles may be confiscated, which could in turn, adversely affect our operations and also our reputation.

19. Our Company is proposing to increase fleet of trucks and consequently also expect demand for qualified drivers to increase. If our Company is unable to attract and retain a sufficient number of qualified drivers, our business, financial condition and results of operations could be adversely affected

As our Company is proposing to increase fleet of trucks, our Company has to rely significantly on our drivers. There has been an increase in the demand for qualified drivers in the industry in recent years. Any shortage of drivers could force us to further increase driver compensation, which could adversely affect our Company's profitability unless the company is able to offset the increased compensation costs with a corresponding increase in freight rates. In addition, our Company believes that the industry suffers from high turnover of drivers. This high turnover rate requires us to continuously recruit a substantial number of drivers in order to operate vehicles.

If our Company is unable to attract and retain a sufficient number of qualified drivers, we could be forced to increase reliance on hired transportation, decrease the number of pickups and deliveries we are able to make, increase the number of our vehicles or limit growth, any or all of which could have a material adverse effect on our business, financial condition and results of operations.

20. Our logo/trademark is not yet registered and unauthorised parties may infringe upon or misappropriate our intellectual property. This could have a material adverse effect on our business which in turn may adversely affect our results of operations

Our Logo/trademark **Fasttrain** is not yet registered. Our Company has made an application on December 21, 2011 for registration of trademark under class 39 with Reference No. 2253655 and the same is pending before the Trademark Registry, Mumbai. There is no assurance that the application for the registration of

our trademark will be approved. If our Company is unable to obtain registration of trademark, it may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trade Mark Act, 1999, as otherwise available for registered trademarks. This could have a material adverse effect on our business, which in turn adversely affect our results of operations.

21. Our Company's success depends on its ability to maintain costs at low levels, and generate sufficient freight volumes to achieve acceptable profit margins or avoid losses

Our business is characterized by high fixed costs, principally due to the ownership of vehicles. These high fixed costs do not vary significantly with variations in freight volumes and a relatively small change in freight volumes or freight rates can have a significant effect on operating and financial results. Our Company seek to maximize revenue per operating vehicle using Total Logistics Solution Business Model that optimizes per customer cost. However, difficulties with internal processes or other external adverse influences could lead to shortfalls in revenue. As a result, the success of business depends on our ability to successfully control and reduce costs in addition to optimizing freight volumes and revenues. If our Company is unable to succeed at any of these tasks, and may not be able to recover the fixed costs of operations or achieve acceptable operating or net profit margins, our business, results of operations and financial condition could be adversely affected.

22. Our funding requirements and deployment of Issue proceeds are based on management estimates and have not been independently appraised, and are not subject to monitoring by any independent agency

Our funding requirements and the deployment of the Issue proceeds are based on our management estimates, current quotations from suppliers / vendors and current business plan. The fund requirements and intended use of proceeds have not been appraised by any bank or financial institutions. Our Company might have to revise the expenditure and fund requirements as a result of variations in the cost structure, changes in estimates, changes in quotations, exchange rate fluctuations and external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our Board. In addition, schedule of implementation as described in the chapter "Objects of the Issue" on page no. 29 are based on management's current expectations and are subject to change due to various factors, some of which may not be in our control. Pending utilization of the Issue proceeds for the purposes described in this DRHP, our Company intends to temporarily invest the funds in high quality interest bearing liquid instruments, including deposits with banks. There can be no assurance that such investments will not carry risk or generate expected returns. For further details, please refer to the section "Objects of the Issue" on page no. 29 of this DRHP.

Our Company is not required to appoint any Monitoring Agency for the issue pursuant to the SEBI (ICDR) Regulations, 2009.

23. Our Company is subject to significant government regulations and any change in these regulations can adversely affect our results of operations

Our operations are subject to a number of transportation, environmental, labour, employment and other laws and regulations. These laws and regulations are subject to change based on new legislation and regulatory initiatives, which could affect the economics of the transportation industry by requiring changes in operating practices or influencing the demand for, and the cost of providing, transportation services. To illustrate, certain States impose restrictions on the age of vehicles operating within the State. Our Company is also required to comply with regulations in connection with, (a) restrictions which specify the actual weight which may be carried by our vehicles, (b) permissible emissions levels, (c) waste disposal and hazardous material handling practices, (d) diesel generators operated by us and their noise control norms, (e) the handling of hazardous substances and associated health and safety requirements.

These laws and regulations generally require us to maintain and comply with a wide variety of certificates, permits, licenses and other approvals. For further details, please refer to "Key Industry Regulations and Policies" and "Government and Other Approvals" on page nos. 95 and 181 respectively. Our failure to maintain required certificates, permits or licenses, or to comply with applicable laws and regulations, could result in substantial fines or possible revocation of our authority to conduct our operations.

Our Company cannot assure you that existing laws or regulations will not be revised or that new laws or regulations, which could have an adverse impact on our operations, will not be adopted or become applicable to us. Our Company also cannot assure you that it will be able to recover any or all increased costs of compliance from our customers or that our business and financial condition will not be materially and adversely affected by future changes in applicable laws and regulations.

24. Our Company relies significantly on technologies and processes. Any failure to identify and address defects or errors in our technologies could result in loss of revenue or market share and liability to customers

To keep pace with changing technologies and customer demands, our Company must correctly interpret and address market trends and enhance the features and functionality of technology and processes in response to these trends, which may lead to additional costs. Our Company is continuously making investments in technologies and processes as it is depended significantly on them for a number of functions including accounting, vehicle maintenance and cargo tracking. Our Company believe that upgrading them from time to time, is critical for improving our profitability.

Our Company might however be unable to accurately determine the needs of our customers and the trends in the transportation services industry and implement the appropriate features and functionality of technology in a timely and cost-effective manner, which could result in decreased demand for our services and a corresponding decrease in our revenue. Despite testing, our Company might be unable to detect defects in existing or new versions of technology, or errors may subsequently arise in our technology. Any failure to identify and address such defects or errors could result in loss of revenue or market share, liability to customers and/or others, diversion of resources, injury to our reputation, and increased service and maintenance costs.

25. The transport industry is affected by numerous factors that are out of our control. Inability to tackle the same can adversely affect our business and financial condition

Operations in the transport industry are affected by numerous factors, including traffic conditions, road closures, track maintenance and construction-related and other delays. Further, time-consuming and complex border-crossing (inter-state) procedures cause significant journey time delays and poor journey time reliability on road movements. These events cause additional costs, both in terms of actual fees and charges for services provided, and as a result of time delays and unreliability in delivery. Our Company cannot assure you that these factors and conditions will not delay the transportation and delivery of cargo and impact our ability to operate without disruption or otherwise have a material adverse effect on our business, financial condition and results of operations. In addition, many local, State and Central transportation authorities levy tolls on vehicles for their use of highways and other roads. As the need for improvements to these highways and other roads arise, our Company expect that many of these tolls may be increased and that other transportation authorities will levy additional tolls and fees on vehicles for use of the roadways. Our Company cannot assure you that it will be able to pass any portion of these expenses on to customers, and any failure to do so could have a material adverse effect on our business, financial condition and results of operations.

26. Our Company operates in a highly competitive industry and, if it is unable to adequately address factors that may adversely affect revenue and costs on account of increased competition, our business could suffer

Our Company operate in a very fragmented and competitive industry. Increased competition may lead to revenue reductions, reduced profit margins, or a loss of market share, any one of which could harm our business. There are many factors that could impair our ability to maintain current profitability, including the following:

- a) competition with other companies offering cargo delivery services, some of which may develop a broader coverage network, a wider range of services, and greater capital resources than we do;
- b) reduction by our competitors of their freight rates to gain business, especially during times of declining growth rates in the economy, which may limit our ability to maintain or increase freight rates, maintain our operating margins, or maintain significant growth in our business;
- c) solicitation by customers of bids from multiple carriers for transportation needs and the resulting depletion of freight rates or loss of business to competitors;

- d) development of an operational model similar to ours by a competitor with sufficient financial resources and comparable experience in the logistics services industry;
- e) establishment of better relationships by our competitors with customers; and
- f) the small unorganized players at a regional level may not comply with applicable statutory and regulatory requirements and due to which they may be able to operate at lower cost and consequently offer lower prices than us.

If our Company is unable to effectively compete with other participants in the cargo transport industry, whether on the basis of pricing, services or otherwise, it might not be able to attract new customers or retain existing customers, and this could adversely affect our business, financial condition and results of operations.

27. Our cargo transport business is subject to certain taxes, and any increase in rates may significantly affect our Profitability

Our cargo transport business has a multiplicity of taxes as taxes are levied at the Union level, State level and at the local administration level. The various taxes includes: National Tax by the Union Government; Motor Vehicle Tax, and Goods Tax by the State Government and Octroi and Tolls by the Local Body. Apart from this, our Company also have to pay National Tax every year for each of the owned vehicles to the Central Government. Any increase in rates of any of these taxes and our inability to pass on the same to our customers may adversely affect our profitability.

28. Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled “*Our Management*” beginning on page no. 104 of this Draft Red Herring Prospectus.

29. Our Company may need to hire additional trucks from third parties in case of shortages. The lack of availability of the same and/or delay in availability of these hired trucks may result in delays in delivering the cargo on time, which in turn may lead to customer dissatisfaction and loss of business

As on the date of this Draft Red Herring Prospectus, our Company has a fleet of 71 vehicles. However, due to high volume of orders and tight delivery schedules, our Company is dependent on hiring of trucks from third parties. On an average, our Company requires 10 – 12% hired trucks per month which results in increased cost. Further, in the event of non availability of hired trucks, and/or delay in obtaining them may result loss of orders, delays in delivery of cargo and increased cost of delivery which could lead to customer dissatisfaction and loss of business, which in turn could adversely affect the business operations of our Company.

30. Our Company might source vehicles from various States and thus are exposed to different tax regimes that may affect our costs and profitability of the Company

Our Company is proposing to increase fleet size through the proposed expansion. Our company may source these vehicles from various States and may be exposed to different tax regimes in different States which may adversely affect our costs and profitability.

31. Any disproportionate increase in labour costs including increase in wage/salary demand, labour unrest or labour claims arising from accidents may adversely affect our business operations and financial conditions

Our increasing business operations may require our employee strength to increase in future. At present, our Company's employees are not represented by any labour unions. Though in the past our Company has not experienced any labour unrest, there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

32. Failure or Delay in raising funds from IPO could adversely impact the implementation schedule. Any time/cost overrun may adversely affect our growth plans and profitability

The proposed expansion is to be funded from the proceeds of this IPO and internal accruals. Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue Proceeds may delay the Implementation Schedule. Our Company therefore, cannot assure that it would be able to execute the proposed expansion within the given time frame, or within the costs as originally estimated. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

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

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our 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, impact our financial condition and adversely affect our results of operations.

34. Our Company has availed loans from various Banks and Non-Banking Financial Companies for purchase of vehicles. If our Company fails to service its debt obligations or comply with the covenants of the loan agreements, the respective lenders could declare us in default under the terms of our borrowings or may increase the maturity of our obligations resulting in adverse impact on business and results of operations

Our Company has availed loans from various Banks and Non-Banking Financial Companies for the purchase of vehicles. Our ability to service the debt obligations will depend entirely on the cash flow generated by our business in the future. If our Company fails to service their debt obligations or comply with the covenants of the loan agreements, the respective lenders could declare us defaulter under the terms of our borrowings or may increase the maturity of our obligations. Failure to meet our obligations could have an adverse affect on our business and results of operations and our Company might not be able to obtain loans on terms favourable to us.

35. Our Company might be unable to meet certain delivery obligations including timelines of delivery, due to which, it could become liable to claims by customers, suffer adverse publicity and incur substantial costs, which in turn could adversely affect our results of operations

Many of our orders involve providing services that are critical to the operations of our customers' business. Any failure or defect in services could result in a claim against us for substantial damages, regardless of our responsibility for such a failure or defect. In our Multimodal Transport assignments, our Company has commitments for safe and timely delivery of the cargo. Any failure to meet the scheduled timelines set by our customers or loss or damage to cargo may lead to our customers raising claims against us. Although our Company is attempting to limit its contractual liability for all the damages, including consequential damages, while rendering the services, our Company cannot be assured that the limitations on liability it provides for, in the service contracts will be enforceable in all cases. For details regarding our indebtedness and negative covenants, please refer to the section "Financial Indebtedness" on page no. 167 of this DRHP

36. Our Company relies extensively on IT systems to provide connectivity across business functions through software, hardware and network systems

Any failure in IT systems or loss of connectivity or any loss of data arising from such failure can impact our operations adversely. Computer viruses could cause an interruption to the availability of our systems. Unauthorized access to our systems with malicious intent could result in the theft of proprietary information and in systems outages. An unplanned systems outage or unauthorized access to our systems could materially and adversely affect our business. For the purpose of maintaining the systems integrity and security our Company uses licensed software and has installed antivirus on all the computers/laptops and have also installed firewalls to block unauthorised access to our systems. Our Company take daily back-up of all the critical data. Our Company also has Annual Maintenance Contracts and Annual Service Contracts from Innovative Software System and BusiSoft Infotech (India) Pvt. Limited, respectively for maintaining the system security and up-keep of the tracking modules.

37. Our Insurance policies may be inadequate to fully protect us from all losses

Our Company has taken various insurance policies for the vehicles owned by our Company to cover third party liabilities during transit. Please see the section of “Insurances” on page no. 81 under the chapter “Our Business” of this DRHP. However, our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Our Company cannot assure that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Our Company does not take insurance coverage for cargo transported by them. In the event that these cargo are not insured by the customers and are damaged or lost by us, our Company may be required to compensate our customers for the loss suffered by them. Any sizable liability from customers may adversely affect our business operations and financial condition.

RISK FACTORS RELATED TO EQUITY SHARES**38. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures**

Our Company has not declared any dividend during the preceding five financial years. The amount of future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that our Company will be able to pay dividends.

39. Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares

Any future issuance of Equity Shares by our Company could dilute the investors’ shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

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

Prior to this Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, volatility in the Indian and global securities markets, the performance of the Indian and global economy, significant developments in India’s fiscal regime and other factors. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

EXTERNAL RISK FACTORS**41. Any changes in the regulatory framework could adversely affect our operations and growth prospects**

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations and Policies” beginning on page no. 95 of this DRHP. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

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

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

43. Regional or International hostilities, terrorist attack or other acts of violence of war could have a significant adverse impact on international or Indian financial markets or economic conditions or on Government Policy. Such incidents could also create a greater perception that investment in Indian Companies involves a higher degree of risk and could have an adverse impact on our business and on the market price of our Company's equity shares.**44. An active market for the Equity shares may not develop which may cause the price of the equity shares to fall and may limit investor's ability to sell the Equity Shares**

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

45. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

46. Demand for our services may decrease during an economic recession which may adversely affect our profitability and financial condition

The cargo transportation industry historically has experienced cyclical fluctuations in financial results due to economic recession, stagnancy in freight rate movements, downturns in business cycles of our customers, fuel shortages, price increases by carriers, interest rate fluctuations, and other economic factors beyond our control. In such events, the operating expenses are higher, and if our Company is unable to pass on to our customers the amount of higher transportation costs our gross profits and income from operations may decrease. If economic recession or a downturn in our customers' business cycles causes a reduction in the volume of cargo transported by those customers, our operating results could also be adversely affected.

PROMINENT NOTES

1. Investors are free to contact the BRLM or the Compliance Officer for any complaints / information / clarification pertaining to this Issue. For contact details of the BRLM, please refer to the cover page of this DRHP.
2. Issue of 5,283,000 Equity Shares of ₹ 10/-each for cash at a price of ₹ [●] per Equity Share aggregating upto ₹ [●] (hereinafter referred to as The “Issue”). The Issue would constitute 48.99 % of the fully diluted Post Issue Paid-Up capital of our Company.
3. The pre-issue net worth of our Company is ₹ 1,837.77 lakhs as per our restated audited financial statements as on March 31, 2012.
4. The average cost of acquisition of Equity Shares by our Promoters is.

Promoter	Average cost (₹)
Mr. Nitin Somani	1.92
Mrs. Sonal Somani	1.92

5. Book value per Equity Shares (of face value ₹ 10/-) of our Company, as per our restated audited financial statements as on March 31, 2012 was ₹ 33.41.
6. Trading in equity shares of our Company for all the investors shall be in dematerialised form only.
7. Other than details stated under the head “Capital Structure” beginning on page no. 20 of this DRHP, our Company has not issued any shares for consideration other than cash.
8. For details on Related Party Transactions, refer to Annexure XII “Related Party Transactions” under the chapter titled “Financial Statements” on page no. 152 of this DRHP.
9. Investors are advised to refer to the paragraph on “Basis for Issue Price” on page no. 39 of this DRHP before making an investment in this Issue.
10. This Issue is being made in terms of regulation 26 (1) of the SEBI Regulations and through 100% Book Building Process wherein not more than 50% of the Issue to the Public will be available for allocation to Qualified Institutional Buyers (“QIB”) on a proportionate basis, subject to valid bids being received at or above the Issue Price. Out of the portion available for allocation to the QIBs, 5% will be available for allocation to Mutual Funds only. Mutual Funds Bidders shall also be eligible for proportionate allocation under the balance available for the QIBs. Further, not less than 15% of the Issue to the Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue to the Public shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price.
11. In the event of the Issue being oversubscribed, the allocation shall be on a proportionate basis to QIBs, Retail Individual Bidders and Non-Institutional Bidders. For details, refer to the chapter titled “Issue Procedure” on page no. 207 of this DRHP.
12. Under-subscription in the Issue, if any, in any category will be met by spill over from other categories at the discretion of the Company in consultation with the BRLM. However, if the aggregate demand by Mutual Funds is less than 132,075 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund portion will first be added to the QIB Portion and be allotted proportionately to the QIB Bidders.
13. 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 of the Bidders such as address, bank account details for printing on refund orders and occupation. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form and also update their demographic details with their respective depository participant.

14. Investors are advised to go through the paragraph on “Basis of Allotment” beginning on page no. 237 of this DRHP.
15. Our Company, and the BRLM will update the DRHP in accordance with the Companies Act and the SEBI (ICDR) Regulations 2009 and our Company and the BRLM will keep the public informed of any material changes relating to our Company till the listing of our shares on the stock exchange.
16. All information shall be made available by the BRLM and our Company to the public and investors at large and no selective or additional information would be available to a section of the investors in any manner whatsoever.
17. Our Promoters, their relatives and associates, Promoter Group and our Directors have not entered into any of the transactions in our Equity Shares directly or indirectly in the past six months except as mentioned under ‘Notes to the Capital Structure’ beginning on page no. 20 of this DRHP.
18. There were no transactions in the securities of Company during preceding 6 months which were financed directly or indirectly by the Promoters, their relatives, their group companies or associates or by the entities directly or indirectly through other persons.
19. No loans and advances have been made to any person(s) / companies in whom Directors are interested except as stated in the Auditors Report on page no. 139 of this DRHP.
20. The aggregate value of transactions by the Issuer with group / associate companies during the last three years is ₹ 1,439.23 lakhs, details of which are disclosed under “Auditors’ Report beginning on page no. 139 of this DRHP.
21. For details of Contingent Liabilities, please refer the Chapter “Financial Statements” on page no. 139 of this DRHP.
22. Our Company was originally incorporated in the name of ‘Fast Train Cargo Private Limited’ on November 18, 2005 under the Companies Act, 1956 with the Registrar of Companies, Mumbai. The status of our Company was changed to a public limited company and the name of our Company was changed to Fast Train Cargo Limited by a special resolution passed on November 11, 2011. The fresh certificate of incorporation consequent to the change of name was granted to our Company on December 14, 2011, by the Registrar of Companies, Mumbai.
23. No part of the Issue proceeds will be paid as consideration to Promoters, Directors, Key Managerial Personnel, associate or Promoter Group entities.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

OVERVIEW OF LOGISTICS INDUSTRY

In any emerging economy transport and logistics services plays a crucial role in boosting economic growth, opening new market opportunities facilitating trade and improving overall competitiveness of the domestic industries. The definition of transport and logistics have evolved over a period of times and broadly covers different forms of transport like roads, railways, air and maritime, transport infrastructure like ports and airports, transport related construction like road construction and services auxiliary to different modes of transport like storage, ware house and cargo handling. Logistics can be defined as *“the process of planning, implementing, and controlling the efficient, cost-effective flow and storage of raw materials, in-process inventory, finished goods and related information from point of origin to point of consumption so as to meet customer requirements”*

Globally the logistics industry is valued at USD 3.5 trillion and the Indian logistics industry is presently estimated USD 90 billion (*Source: Confederation of Indian Industry (CII)*). The Indian logistics industry is highly fragmented and unorganized whereas organized sector forms only 6 per cent. Also, the Indian logistics spend as a percentage to GDP is higher at 13 per cent compared to some of the developed countries of the world, primarily due to infrastructural constraints. The transport and logistics sector in India has witnessed stupendous growth post the liberalisation period. The primary reason for the growth can be attributed to increase in trade, reforms in government policy, increased government spending on infrastructure and rise in domestic consumption. Over the years India has emerged as a manufacturing hub and growth for service sector like retail. The logistics sector employs approximate 45 million people and is growing at a stupendous rate. It is expected that the demand for transport and logistics will continue to grow as the Indian economy is on a high growth trajectory, the domestic market is unsaturated and the country needs investment in transport infrastructure.

However, owing to several roadblocks in the form of inadequate logistics infrastructure, inefficiency in operations due to the presence of multiple players, multiple tax structures etc., the spend on logistics in India remains higher averaging 12-13% of the country's GDP as against 7-9% of the GDP of other developed nations of the world. The following table sets the FDI inflows in the transport and logistics sector in India.

Table: Cumulative FDI Inflows in the Transport Sector: April 2000- April 2011

Sr. No	Sector	Amount of FDI Inflows (In Crore)	Amount of FDI Inflows (In USD Million)	% share in India's Total FDI Inflows
1	Construction Activities	42,160	9,490.96	7.14
2	Automobile Industry	28,036	6,198.93	4.67
3	Ports	6,717.36	1,635.08	1.23
4	Sea Transport	4,859.16	1,072.05	0.81
5	Air Transport	1,663.29	373.06	0.28
6	Earth moving machinery	591.89	138.03	0.10
7	Railways related components	614.88	137.57	0.10

(Source: http://dipp.nic.in/fdi_statistics/india_FDI_April2011.pdf DIPP – Department of Industrial Policy and Promotion)

INDUSTRY STRUCTURE

The logistics industry can be broadly classified into three segments –

1. Transportation
2. Warehousing
3. Value added services

Transportation can take place through any surface be it roads, railways, by air or water depending upon the need and the cost. For domestic transportation, road transport is the dominant mode of transport accounting for over two-third of the contribution of the transport sector to the GDP.

TRANSPORTATION

1. Roadways

Road is dominant mode of transportation in India. India has an extensive network 3.32 million km second largest in the world of which the national highways connecting key cities and towns constitute 70,934 km. However, it lags behind other countries in terms of quality of road network. Nevertheless, the Government of India (GoI) has made huge investments to upgrade the quality of road networks in the country. It has announced several policy changes such as 100 per cent FDI for roads sectors, model concession agreements and standardization for bidding to encourage private investment in the sector. Despite such initiatives the road sector faces challenges like land acquisition, financial closures and lack of co-ordination between government agencies which eventually leads to delay in implementation of projects.

Table: Roadways Network

	in Km	% of Total
Expressways	200	0.01%
National Highways	70,934	2.1%
State Highways	1,31,899	3.9%
Major District Roads	4,67,763	14.0%
Rural and Other Roads	26,50,000	79.8%
Total	33,20,796	100.0%

(Source: National Highway Authority of India (NHAI))

2. Railways

The India Railways has the largest rail network in Asia and is the world's third largest railways network under single management. Indian rail is also the fourth largest freight carrier amongst the world's railways and the largest carrier of passengers amongst the world's railway system. The India Railways is spread all over the country covering route of 63,500 Kms and operates around 14,400 trains on daily basis which includes both goods as well as passenger trains. Over the years Indian Railways has witnessed tremendous growth and development in the quantum of traffic. The railways are one of the few sectors in India in which the government still has a monopoly. Railways Act as a backbone of India's transport infrastructure and contribute significantly to country's macroeconomic growth and global competitiveness. It transports more than 2 million tonnes of freight daily. The identification of Public – Private Partnership (PPP) mode for the country's rail projects has been one of the key government initiatives with several projects being launched through this mode.

The railway freight movement has been growing at a CAGR of 5.2 per cent for last three years. The following table sets forth the freight movement observed in last three years

Table: Freight Rate for key essential commodities

Commodity	500 Km	1000 Km	1500 Km	2000 Km	2500 Km	3000 Km	3500 Km
	Freight Rate Per Tonne Effective From 27/12/2010 (in ₹)						
Cement	489.9	923.4	1,363.2	1,710.5	1,943.1	2,188.1	2,418.9
Chemical Manures	400.7	787.9	1,135.9	1,425.3	1,619.3	1,823.4	2,015.8
Coal and Coke	489.9	923.4	1,363.2	1,710.5	1,943.1	2,188.1	2,418.9
Foodgrains, Flours and Pulses	400.7	787.9	1,135.9	1,425.3	1,619.3	1,823.4	2,015.8
Iron or Steel	620.5	1,108.1	1,635.8	2,052.6	2,331.7	2,625.7	2,902.7
Mineral and Ores	522.2	985.0	1,454.1	1,824.5	2,072.6	2,333.9	2,580.2
Metal Scrap and Pig Iron	522.2	985.0	1,454.1	1,824.5	2,072.6	2,333.9	2,580.2
Petroleum Products and Gases	653.2	1,231.2	1,817.6	2,280.6	2,590.8	2,917.4	3,225.2

(Source: Ministry of Railways)

3. Airports

Air transport is the fastest mode of transport for long distance passenger and high value cargo. India has emerged as one of the fastest growing aviation markets worldwide. This can be attributed to the liberalisation of government policies and entry of several airlines with diverse business models. However the country's airport infrastructure has not been able to achieve greater share in freight traffic and has not been able to generate higher revenues like its global counterparts. Currently, all airports in India are owned and operated by the

Airports Authority of India (AAI). The Government aims to attract private investment in aviation infrastructure - Privatization of the Delhi and Mumbai airports is in progress – contracts have already been awarded. Several domestic (private) as well as international players are showing interest in the growth and development of the Indian airport sector given growth potential and expansion plans of the government.

WAREHOUSES

Warehouses have become one of the major segments of the rapidly growing Indian logistics industry. Today it does not only provide custody for goods but also offer value added services such as sorting, packing, blending and processing. With the evolution of an organized retail sector, modern warehouses for storage of perishable goods have become indispensable. Warehousing accounts for about 20 per cent of the Indian logistics industry. The organized warehousing segment is currently dominated by mainly 3 government agencies – Central Warehousing Corporation, Food Corporation of India and 17 state warehousing corporations. The warehousing industry being critical to the logistics operation is expected to grow on the backdrop of increasing need for the storage of both inbound and outbound cargo. The GoI's initiative to promote the growth of warehouses in the country through measures such as enactment of the Warehousing Act, 2007, investments in the establishment of logistic parks and Free trade warehouse zones (FTWZs) together with the proposed introduction of Goods and Service Tax (GST) regime by FY12 augurs well for the industry's growth. Sensing the tremendous growth potential of the warehouse sector, the private players (including both domestic and international) have ventured with a view to bridge the gap between cost and efficiency of operations

VALUE ADDED SERVICES

Apart from transportation and warehousing the logistics industry comprises other related services such as packaging, labelling, assembling, express services, tracking and tracing, cold chain, etc.

INDUSTRY FUTURE OUTLOOK

A) Multi modal share in freight movement

Healthy macro economic growth, increase in outputs from agriculture, industry and imports supported by strong rise in consumer spending have given significant boost to domestic freight movement during last one decade. CARE Research estimates, the domestic freight movement has increased from around 2,000 million tonnes in FY06 to around 3,140 million tonnes in FY11 (i.e. a CAGR of around 10 per cent). Going forward, although there are concerns over slowdown in economic growth in short term period, these concerns would taper off in medium to long term period. CARE Research foresees, the movement in domestic freight would continue to remain healthy in long term and grow at a CAGR of 11-12 per cent to around 5,350 million tonnes.

Advantage of door to door delivery and vast network spread across the remote corners of the country coupled with capacity constraints in other modes of transport has led roadways to dominate the domestic freight transport industry over last two decades. CARE Research estimates, currently road sector forms around 60 per cent of overall freight movement in the country, followed by railways that constitute around 29 per cent. While pipelines and inland coastal ways which are either focussed on particular sets of commodities or have regional presence comprises of around 6 per cent and 5 per cent respectively. CARE Research foresees, roadways would continue to witness rise in its share to around 63 per cent by FY16 in domestic freight movement in tonnage terms. On the other hand, the share of railways is expected to drop to around 28 per cent, owing to slow implementation of projects and capacity constraints. Pipeline and inland coastal ways would continue to form small share of around 6 per cent and 4 per cent respectively.

B) Freight rates

The domestic freight rates are determined by combination of factors such as fuel prices, freight movement, demand and supply of commercial vehicles, regulatory scenario, competition from other modes of transport, investments in transport infrastructure, technological evolution in commercial vehicles, etc. It has been observed that post economic turmoil of FY08 and FY09, the freight rates have grown in the range of around 1.5 - 2 per cent over last two fiscals i.e. FY10 and FY11. CARE Research foresees, going forward freight rates is expected to soften on the back of fresh concerns over slowdown in economic growth and consequently the freight movement in near term (i.e. around 1 to 1^{1/2} years) and may recover steadily thereafter.

SUMMARY OF OUR BUSINESS

OVERVIEW

Our Company, Fast Train Cargo Limited is entering into Third Party Logistics and is specializing in forwarding by Air, Roadways and Train, any type of permissible Shipments/Cargo anywhere in India. Our Company is mainly engaged in the business of providing logistic services viz. cargo transport by Air, Roadways and Train, Packing and Moving. We also provide door to door parcel delivery service for all kinds of parcels, big and small. The cargo transportation is generally carried out using road, rail and air as the mode of transport. We deliver all types of cargo including parcels of all sizes, advertising material and Mutual Fund and IPO Application / Bid Forms. Our Company intends to expand the road cargo business by increasing the number of trucks in our fleet and also building new warehouses in geographically distributed location to enhance PAN India presence.

Majority of our present business today is concentrated on transportation of cargo by Rail mode. However, our Company believes that the volume of Road cargo in the Industry is more than any other mode. Also with the growing infrastructure in the country, the cargo volume by Road is bound to go up further. Hence our expansion is directed towards developing a larger fleet of trucks and building warehouses across the country.

Location

The registered office of our Company is situated in Mumbai and warehouses / depots are located in various parts of India. Since inception, we have constantly grown our network of depots. With only 5 depots in 2005, our Company today has 45 depots giving us Pan-India presence.

Fleet

Our Company currently maintains a Fleet of 71 Trucks of varying Load Capacities. These fleets operate across the country ensuring nation-wide services to our corporate and individual customers. Our Company purchased majority of the trucks in the current financial year as part of expansion in the road cargo business. Though these fleets will give our road cargo business the much needed presence, we further intend to strengthen our capacity substantially. Keeping this in mind, our Company is proposing to purchase more vehicles of different capacities as part of our expansion project, details of which are given in the Chapter 'Objects of the Issue' on page no. 29 of this DRHP.

Besides, owning the above fleet, our Company has in place provision for regular repairs and maintenance of the vehicles. We undertake preventive maintenance for our vehicles, which help to increase fuel efficiency and minimize breakdowns and wear and tear. The vehicles are inspected regularly in order to avoid frequent repairs and service interruptions. In case of major or critical problems, the repairs are carried out at specialized service centre. Majority of our fleet is less than or equal to 5 years old. The young fleet and measures taken for preventive maintenance enable us to reduce our cost of repairs and maintenance.

Warehouses

With increasing road infrastructure, our Company intends to expand the roadways cargo business. Thus, along with increasing our fleet of vehicles, our Company proposes to set up warehouses in Pune to gain advantage of increased demand for warehousing facilities. By expansion in this area, we propose to provide our customers with the total proposed warehouse space or part thereof, on rental basis as per their requirement, all under one roof. We also propose to provide warehouses on rentals such as 'Per Day', 'Per Month' or 'Per Year' basis, as per the customers' requirements. For details of warehouses that we propose to set up, please see chapter "Objects of the Issue" on page no. 29 of this DRHP.

EXISTING SERVICES

With the growing scale of business, we intend to make a strong footing in the Third Part Logistics (3PL) market. Our existing services are explained below:

Multimodal Transportation*Train / Rail Cargo Service*

Through this service, we transport majority of the cargo by passenger trains instead of the goods trains. This is because goods trains are generally for bulk quantities like food grains, coal etc. Booking small sections in one container of goods trains is not cost effective and thus we transport our consignments using the Luggage compartments of the passenger trains. Further, goods trains have limited frequency and routes and also take more transit time than passenger trains.

We ensure our customers timely door-to-door pick up & delivery which helps us in retaining our customers as they are satisfied with the service.

Road Cargo Service

We started road cargo service in October 2008 and are engaged in the business of transportation of cargo / consignment by roadways within India. Cargo transportation is carried out for bulk as well as non-bulk freight for various industry segments. Our Company provides services for Full Truck Load (FTL) as well as Part Truck Load (PTL) to customers, which gives them flexibility for quantity of their consignment.

Under FTL, we provide door to door service wherein the entire truck is loaded with cargo of a single customer and are delivered to the delivery point as specified by the customer. The customers who have large quantities of cargo to be transported hire full truck load for transport of cargo.

Under PTL, the customers have the flexibility of hiring the truck on part basis. The cargos of various customers are consolidated and transported to single / multiple destinations on the same truck.

Air Cargo Service

Air Cargo Service is used for speedy delivery of cargo over longer distances. We book air consignments and further sub-contract the consignment to carriers / other agencies for transport to the required destination by air. Our air consignments move through various airlines like Jet Airways, Go Airways, Indian Airlines and Kingfisher Airlines. Air Cargo is beneficial to our customers as it is a time-definite mode and also beneficial to our Company as it helps in route optimization.

Value Added Services

In October 2010, we started packaging services to our customers for their consignment. As per our customers' requirements, we provide Bubble Packaging, Carton Packaging and Wooden Packaging. Cargo dispatched to the destinations with the proper packaging ensures safety and reduces loss due to damage in transit.

PROPOSED SERVICES

We propose warehousing services in addition to the above services provided by us, thus expanding our scope to Contract Logistics.

Contract Logistics (Warehouses)

Under Contract Logistics, we intend to start operations by providing warehousing facilities. Here, we will provide space to our customers to store goods until they are transported to the specified destination. For this storage purpose, we propose to provide our customers with the warehouse space on 'Per Day', 'Per Month' or 'Per Year' rental basis, as per the customers' requirements.

OUR COMPETITIVE STRENGTHS**Host of Services offered**

Our Company has not confined itself to the Parcel handling Services. We have successfully captured many aspects of the Logistics Industry, viz:

1. Train Cargo Service
2. Surface (Road) Cargo Service - Part-Load & Full-Load Transportation Services
3. Air Cargo Service
4. Packaging facilities
5. Online Tracking of cargo and regular updates

Pan India Presence

Our Company has expanded its presence throughout the country in the short span of 5-6 years. We have built a strong market place owing to our dedication towards quality, reliability and timeliness of services offered. Our Company has successfully made the transition from a local transportation service provider within the Mumbai to a Pan-India service provider. The Company is rendering services to its valued customers at the four major metros, satellite cities, and even some remote places of the country through its depots located across India. We operate our depots at 45 locations spread across zones, details of which have been given under this chapter.

Strong Technological Capabilities

Our Company has invested significant resources in technological capabilities and has developed a scalable technology system. Such technological capabilities are key aspects of our operating model and our ability to deliver consistent levels of customer service. Our Company has installed dedicated software for logistics management. We also have entered into an Annual Maintenance Contract (AMC) for the maintenance of the software, as it is the backbone of our logistics operation. In addition to managing the physical movement of consignment, we offer real-time tracking. The entire information technology requirements of our Company including computerization of our branches / offices, tracking status reports, etc. are currently centred at our registered office. Our online cargo tracking facility is available at www.fasttrainc.com, which facilitates customers in locating the movement of cargo.

Low dependence on hiring third-party vehicles

We prefer to operate our owned vehicles and hire third-party vehicles only during periods of high demand and in emergencies and that too on select routes. Hiring third-party vehicles involves a higher cost of operation as we are required to pay for the operational cost of the hired vehicles. It also results in a lower payload capacity vis-à-vis our owned vehicles which we believe are lighter and have longer length bodies to carry a higher payload. Therefore, operating our owned vehicles enables us to eliminate hiring costs and also enables us to carry higher volumes leading to higher revenues per trip. Additionally, with third-party vehicles, there is no certainty that these vehicles will be available when we need them or whether we will be able to ensure safe delivery in a timely manner. Furthermore, in times of scarcity of third-party vehicles, the cost of hiring tends to increase significantly. Our Company currently operates 71 vehicles which include trucks with varying load capacity and varying length. Further, we are proposing to increase our fleet by adding another 75 trucks as part of our expansion plans.

Competitive Prices and Operating Efficiency

We strive to offer our customers with the best rates possible thus forming part of our customer retention strategy. We are able to provide competitive rates to our customers since we have in-house fleet of trucks and using passenger trains for cargo transport which helps us control our costs.

Management Expertise

Our Promoters have been engaged in the business of Transport and Logistics for around 22 years which gives them immense knowledge of the Industry and thus better decisions. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. Our Promoter Director, Mr. Nitin Somani who has been involved in the business and management of our Company, has around 22 years of experience in the transport and logistics industry. We believe that our management team's experience and their understanding of the logistics industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent contractors, the global economic crisis and fluctuations in fuel prices.

Diverse customer base

Our cargo transportation business is serving numerous Industries. We have a diverse customer base from different Industry Sectors such as Printing, Pharmaceuticals, Automobiles, Banking, FMCG, etc. The details of Sector wise income during the last 3 years are as under:

(₹ in Crores)

Sr. No.	Industry	2008-2009		2009-2010		2010-2011	
		Amt.	% of Income	Amt.	% of Income	Amt.	% of Income
1	Printing	6.21	26.91	9.00	25.41	10.15	24.76
2	Automobile	1.05	4.55	4.22	11.91	4.69	11.44
3	Pharmaceuticals	2.37	10.27	3.13	8.84	4.08	9.95
4	FMCG	1.10	4.77	2.44	6.89	3.06	7.46
5	Glass	2.08	9.01	2.12	5.99	3.40	8.29
6	Banking	3.09	13.39	4.22	11.91	4.58	11.17
7	Others	7.18	31.11	10.29	29.05	11.04	26.93
TOTAL		23.08	100.00	35.42	100.00	41.00	100.00

Existing customer relationships

We constantly try to address our customer's needs. We believe that, our existing customer relationships help us to get continuous business from our customers. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy.

SUMMARY OF FINANCIAL INFORMATION

The following summary financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Auditor's Report of Sandeep Rathi & Associates, Chartered Accountants dated April 20, 2012 in the section titled "Financial Statements" beginning on page no. 139 of this Draft Red Herring Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the year ended March 31, 2008, 2009, 2010, 2011 and 2012 including the notes thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page no. 139 of this Draft Red Herring Prospectus.

SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Fixed Assets:					
Gross Block	1,340.70	521.53	470.11	427.48	237.32
Less : Depreciation	181.16	169.19	107.82	52.78	17.06
Net Block (A)	1,159.54	352.34	362.29	374.70	220.26
Investments (B)	0.00	0.00	0.00	0.00	0.00
Current Assets , Loans and Advances					
Inventories	0.00	0.00	0.00	0.00	0.00
Sundry Debtors	1,606.97	1,180.39	1,040.16	766.02	538.12
Cash and Bank Balances	25.01	32.08	19.30	16.68	56.03
Loans and Advances	388.17	213.90	491.17	591.06	212.33
Total (C)	2,020.15	1,426.37	1,550.63	1,373.76	806.48
Liabilities and Provisions:					
Secured Loans	535.02	169.26	252.10	522.34	194.61
Unsecured Loans	0.00	0.00	0.00	19.45	120.70
Current Liabilities (Creditors)	439.98	962.26	1,313.97	928.25	538.07
Provisions	332.25	157.25	72.55	82.87	51.36
Deferred Tax Liability	34.67	0.50	4.07	6.15	3.33
Total (D)	1,341.92	1,289.27	1,642.69	1,559.06	908.07
NETWORTH (A+B+C-D)	1,837.77	489.44	270.23	189.40	118.67
Represented by:					
Share Capital	550.00	10.00	10.00	10.00	10.00
Reserve & Surplus	1,299.77	479.44	260.23	179.45	108.77
Less: Miscellaneous Expenditure not w/o	12.00	0.00	0.00	0.05	0.10
NETWORTH	1,837.77	489.44	270.23	189.40	118.67

SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Income					
Operating Income	6,508.16	4,143.81	3,542.44	2,308.77	1,941.54
Other Income	33.79	1.27	6.17	6.05	5.06
Total Income	6,541.95	4,145.08	3,548.61	2,314.82	1,946.60
Expenditure					
Operating Expenses	5,051.51	3,375.26	3,058.51	1,891.91	1,648.89
Personnel Costs	249.54	82.15	81.51	66.80	54.39
Administration and other Expenses	373.93	255.15	158.27	85.55	76.99
Selling & Distribution Expenses	21.07	10.91	19.75	15.11	15.09
Total Expenditure	5,696.05	3,723.47	3,318.04	2,059.37	1,795.36
Profit Before Interest, Depreciation and Taxes	845.90	421.61	230.57	255.45	151.24
Less: Depreciation	111.37	61.36	55.05	41.64	15.28
Profit Before Interest, and Taxes	734.53	360.25	175.52	213.81	135.96
Less: Interest & Financial Charges	62.04	25.61	58.52	108.75	12.96
Less: Preliminary / Deferred Revenue Expenses w/o during the year	3.00	0.00	0.05	0.05	0.05
Profit before Tax and Extraordinary Items	669.49	334.64	116.95	105.01	122.95
Less: Provision for Taxation					
Provision for Current Tax	175.00	119.00	38.25	29.65	35.47
Provision for Deferred Tax	33.68	(3.57)	(2.08)	2.82	3.33
Provision for Fringe Benefit Tax	0.00	0.00	0.00	1.86	1.47
Add: Depreciation of earlier year	0.00	0.00	0.00	0.00	1.66
Net Profit after Tax	460.81	219.21	80.78	70.68	84.34

SUMMARY OF CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit Before Tax and Extraordinary Items	680.78	334.64	116.95	105.01	122.95
<i>Adjustment for:</i>					
Depreciation	111.37	61.36	55.05	41.64	15.28
Interest and Financial Charges	62.04	25.61	58.52	108.75	12.96
Loss / (Profit) on Sale of Assets	(27.44)	0.00	0.00	0.00	0.00
Dividend Received	0.00	0.00	0.00	0.00	0.00
Interest Income	(6.36)	(1.27)	(6.17)	(6.05)	(5.06)
Miscellaneous Exp. Written Off	3.00	0.00	0.05	0.05	0.05
Operating Profit Before Working Capital Changes	823.39	420.34	224.4	249.40	146.18
<i>Adjustment for:</i>					
Decrease / (Increase) in Inventories	0.00	0.00	0.00	0.00	0.00
Decrease / (Increase) in Trade Receivables and Other Debtors	(426.59)	(140.22)	(274.14)	(227.90)	(224.43)
Decrease / (Increase) in Loans & Advances	(174.27)	277.27	99.88	(378.73)	(181.56)
(Decrease) / Increase in Trade Payable & Other Liabilities	(634.91)	(351.71)	385.72	390.18	357.69
Cash Generated From Operations	(412.38)	205.68	435.86	32.95	97.88
Direct Taxes Refund / (Paid) Net	0.00	(34.30)	(48.57)	0.00	0.00
Net Cash from Operating Activities (A)	(412.38)	171.38	387.29	32.95	97.88
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(998.11)	(51.42)	(48.43)	(223.32)	(211.66)
Sales of Fixed Assets	106.99	0.00	5.80	27.24	0.00
Dividend Received	0.00	0.00	0.00	0.00	0.00
Interest Income	6.36	1.27	6.17	6.05	5.06
Deferred Revenue Expenses	(15.00)	0.00	0.00	0.00	0.00
Advance against sale of Fixed Assets	101.34	0.00	0.00	0.00	0.00
Net Cash from Investing Activities (B)	(798.42)	(50.15)	(36.46)	(190.03)	(206.60)
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	90.00	0.00	0.00	0.00	9.00
Money received towards Share Premium	810.00	0.00	0.00	0.00	0.00
Proceeds from Secured Loan (Net)	365.77	(82.84)	(270.24)	327.73	189.80
Proceeds from Unsecured Loans (Net)	0.00	0.00	(19.45)	(101.25)	(23.42)
Interest and Finance Charges	(62.04)	(25.61)	(58.52)	(108.75)	(12.96)
Dividend Paid (including Dividend Tax)	0.00	0.00	0.00	0.00	0.00
Net Cash from Financing Activities (C)	1,203.73	(108.45)	(348.21)	117.73	162.42
Net increase in cash and cash equivalents (A+B+C)	(7.07)	12.78	2.62	(39.35)	53.70
Cash and Cash equivalent at the beginning of the year	32.08	19.30	16.68	56.03	2.33
Cash and Cash equivalent at the end of the year	25.01	32.08	19.30	16.68	56.03

THE ISSUE

Public Issue of Shares by our Company	5,283,000 Equity Shares of FV ₹ 10/- each for Cash at a price of ₹ [●] aggregating to ₹ [●]
Of Which	
Qualified Institutional Buyers (QIB) Portion	Not more than 2,641,500 Equity Shares of FV ₹ 10/- each, constituting not more than 50% of the Issue (<i>allocation on proportionate basis</i>) for cash at a price of ₹ [●] aggregating ₹ [●]
of which	
Available for allotment to Mutual Funds	132,075 Equity Shares of FV ₹ 10/- each, constituting 5% of the QIB allocation at a price of ₹ [●] aggregating to ₹ [●]
Balance for all QIBs including Mutual Funds	2,509,425 Equity Shares of FV ₹ 10/- each, constituting remaining portion of the QIB portion at a price of ₹ [●] aggregating to ₹ [●]
Non-Institutional Portion	Not Less than 792,450 Equity Shares of FV ₹ 10/- each, constituting not less than 15% of the Issue (<i>allocation on proportionate basis</i>) for cash at a price of ₹ [●] aggregating ₹ [●]
Retail Portion	Not Less than 1,849,050 Equity Shares of FV ₹ 10/- each, constituting not less than 35% of the Issue (<i>allocation on proportionate basis</i>) for cash at a price of ₹ [●] aggregating ₹ [●]
Equity Shares outstanding prior to the Issue	5,500,000 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	10,783,000 Equity Shares of FV ₹ 10/- each
Use of Issue Proceeds	See the Section “Objects of the Issue” on Page no. 29 of this DRHP

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

GENERAL INFORMATION

Our Company was incorporated as Fast Train Cargo Private Limited on November 18, 2005. The status of our Company was changed to a public limited company and the name of our Company was changed to Fast Train Cargo Limited by a special resolution passed on November 11, 2011. The fresh certificate of incorporation consequent to the change of name was granted to our Company on December 14, 2011, by the Registrar of Companies, Mumbai.

Company Name	Fast Train Cargo Limited
Registered Office	Victoria House, Victoria Mill Compound, Office No. 1A, Opposite Bombay Dyeing Mills, P.B. Marg, Lower Parel, Mumbai 400013, Maharashtra, India
Address of Registrar of Companies	100, Everest, Marine Drive, Mumbai 400002, Maharashtra, India Tel: 022-22812639; Fax: 022-22811977; Email: roc.mumbai@mca.gov.in
Registration Number	157383
CIN No	U63020MH2005PLC157383
Website	www.fasttrainc.com
Email	ipo@fasttrainc.com

BOARD OF DIRECTORS

As per the applicable provisions of the Companies Act and our Articles, our Company cannot have less than 3 and more than 12 Directors. We currently have 9 Directors.

Sr. No.	Name, Address, Age	Status	Designation	DIN
1.	Mr. Nitin Prabhudas Somani Address: 703, Beau Monde, Appasaheb Mhatre Marg, Prabhadevi, Mumbai – 400 025. Age: 42	Executive and Non-Independent Director	Chairman & Managing Director	00841378
2.	Mrs. Sonal Nitin Somani Address: 703, Beau Monde, Appasaheb Mhatre Marg, Prabhadevi, Mumbai – 400 025. Age: 38	Executive and Non-Independent Director	Wholetime Director	01216993
3.	Mr. Manoj Prabhudas Somani Address: D – 2, Plot No. 160, Madhuban Society, Gorai No. 2, Borivali (West), Mumbai – 400 092. Age: 29	Executive and Non-Independent Director	Wholetime Director	01203481
4.	Mr. Salim Ismail Shaikh Address: Flat no. 3, Ground floor, Elegant Home, Opposite Konark Puram, Kondwa, Khurd, Pune – 411 048. Age: 40 years	Executive and Non-Independent Director	Wholetime Director	01361459
5.	Mr. Suresh Shivappa Nagaral Address: B/804, Krishna Residency, Sunder Nagar, Malad (West), Mumbai – 400 064. Age: 43 years	Non Executive Director	Independent Director	00436943
6.	Mr. Nareshkumar Purshottam Sharma Address: H/301, Neelkamal Gruh CHS, Near Chincholi Phatak, Malad (W), Mumbai – 400 064. Age: 40 years	Non Executive Director	Independent Director	02909455
7.	Mr. Mehul Nilesh Shah Address: Building No. 38, Room No.	Non Executive Director	Independent Director	05118223

Sr. No.	Name, Address, Age	Status	Designation	DIN
	1003, Adarsh Nagar Colony, Near Centuary Bazar, Worli, Mumbai 400 030. Age: 23			
8.	Mr. Mohammad Kasim M. Shaikh Address: Anwar Chawl, Sampai Nagar, 1/5, Scout Camp Road, Behram Baug, Jogeshwari (W), Mumbai – 400 102. Age: 32 years	Non Executive Director	Independent Director	05168621
9.	Mr. Vinay S. Choubey Address: Flat No. 5/5, Plot No. 1, Lotus Co - op Society, Bhawani Nagar, Nr. Marol Maroshi Bus Stand, Andheri (East), Mumbai – 400 059. Age: 42 years	Non Executive Director	Independent Director	3410653

For further details of our Directors, see the section titled “Our Management” on page no. 104 of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Anshu Shrivastava

Victoria House,
Victoria Mill Compound,
Office No. 1A, Opposite Bombay Dyeing,
Lower Parel, Mumbai 400 013,
Maharashtra, India
Tel: +91-22-24975001
Fax: + 91-22-24975008
Email: csanshu@fasttrainc.com

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

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

ISSUE MANAGEMENT TEAM

BOOK RUNNING LEAD MANAGER



ASHIKA CAPITAL LIMITED

1008, Raheja Centre, 10th Floor,
214, Nariman Point,
Mumbai - 400 021.
Tel: + 91 – 22 – 6611 1700
Fax: + 91 – 22 – 6611 1710
Email: mbd@ashikagroup.com
Website: www.ashikagroup.com
SEBI Regn. No: INM000010536*
Contact Person: Mr. Pranav Nagar / Ms. Nidhi Shah

* We have applied for renewal of Registration *vide* our application dated May 11, 2011

LEGAL COUNSEL TO THE ISSUE

MDP & Partners
Advocates & Solicitors
 1st floor, Udyog Bhavan,
 29, Walchand Hirachand Marg,
 Ballard Estate, Mumbai 400 001
 Tel: +91 22 6686 8900
 Fax No: +91-22- 6686 8989
 Email: project.cargo@mdppartners.com
 Contact Person: Mr. Manthan Unadkat

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
 E/2, Ansa Industrial Estate,
 Saki Vihar Road, Saki Naka,
 Andheri (East),
 Mumbai 400 072.
 Tel: +91 22 4043 0200
 Fax: +91 22 2847 5207
 Email: ipo@bigshareonline.com
 Website: <http://www.bigshareonline.com>
 Contact Person: Mr. Babu Raphael
 SEBI Registration No.: INR000001385

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

STATUTORY AUDITOR

M/s. Sandeep Rathi and Associates
Chartered Accountants
 304, Saba Palace,
 4th Road, Khar (West),
 Mumbai 400 052.
 Tel No: +91-22-32908261
 Fax No: +91-22-26048489
 Email: sandeepathica@rediffmail.com

BANKERS TO OUR COMPANY

HDFC Bank
 Process House, 2nd Floor,
 Kamala Mills Compound,
 Lower Parel, Mumbai 400 013.
 Tel No.: +91-22-2490 2856
 Fax No.: +91-22-2496 3994
 Email: devangshah@hdfcbank.com
 Contact person: Mr. Devang Shah



Kotak Mahindra Bank
 Senapati Bapat Marg, Lower Parel,
 Mumbai 400 013.
 Tel No.: +91-22-6615 8716
 Fax No.: +91-22-6615 8707
 Email: vishal.gokhale@kotak.com
 Contact person: Mr. Vishal Gokhale

BANKERS TO OUR COMPANY**IDBI Bank**

Shop # 1, Centre Point,
Dr. Babasaheb Ambedkar Road,
Parel (Lalbaug),
Mumbai 400 012.
Tel No.: +91-22-6609 9581 / 91
Fax No.: +91-22-66099583
Email: nilesh_jadhav@idbi.co.in
Contact person: Mr. Nilesh Jagannath Jadhav

**The Bharat Co-operative Bank (Mumbai) Limited**

Shop No. 2 & 3, Ground Floor
Priyadarshini Mahila C.H.S. Limited,
Bhawani Shankar Road, Dadar (West),
Mumbai 400 028.
Tel No.: +91-22-2438 5155 / 2422 8166
Fax No.: +91-22-2438 6794
Email: dadar@bharatbank.co.in
Contact person: Mr. Ratnakar Salian

BANKERS TO THE ISSUE AND ESCROW COLLECTION BANKS

[•]

REFUND BANKER

[•]

SYNDICATE MEMBER(S)

[•]

BROKERS TO THIS ISSUE

All the members of the recognised stock exchanges would be eligible to act as brokers to the Issue in consultation with the BRLM.

SELF CERTIFIED SYNDICATE BANKS

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

IPO GRADING

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

CREDIT RATING

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

TRUSTEES

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

MONITORING AGENCY

There is no requirement for a Monitoring Agency in terms of the SEBI (ICDR) Regulations since the Issue size is less than 5,000 million. The Audit Committee appointed by our Board of Directors will monitor the utilization of the Issue proceeds.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Ashika Capital Limited is the sole Book Running Lead Manager to the Issue and shall be responsible for the following activities:

Sr. No.	Activity
1.	Capital Structuring with the relative components and formalities such as type of instruments, etc.
2.	Conducting a due diligence of the Company's operations/management/business plans/legal, etc. Drafting and designing the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus. Ensuring compliance with the SEBI (ICDR) Regulations 2009 and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI
3.	Primary co-ordination with SEBI, RoC and Stock Exchanges upto bidding and coordinating interface with lawyers for agreements
4.	Primary co-ordination of drafting/proofing of the design of the Draft Red Herring Prospectus, bid forms including memorandum containing salient features of the Prospectus with the printers. Primary coordination of the drafting and approving the statutory advertisement.
5.	Drafting and approving all publicity material other than statutory advertisement as mentioned in (4) above including corporate advertisement, brochure, etc.
6.	Appointing the Registrars, Appointing Bankers to the Issue, Appointing other intermediaries viz., printers and advertising agency
7.	Marketing of the Issue, which will cover inter alia: <ul style="list-style-type: none"> Formulating marketing strategies, preparation of publicity budget, Finalising media & public relations strategy, Finalising centres for holding conferences for press and brokers etc, Finalising collection centres, Following-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material, Preparing all road show presentations, Appointment of brokers to the issue, and Appointment of underwriters and entering into underwriting agreement.
8.	Coordinating institutional investor meetings, coordinating pricing decisions and institutional allocation in consultation with the Company
9.	Finalising the Prospectus and RoC filing
10.	Co-ordinating post bidding activities including management of Escrow accounts, coordinating with registrar and dispatch of refunds to Bidders, etc.
11.	Follow-up with the bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
12.	<p>The Post-Issue activities for the Issue will involve essential follow up steps, which include finalizing basis of allotment / weeding out of multiple applications, the listing of instruments and dispatch of certificates and dematerialized delivery of shares with the various agencies connected with the work such as the Registrars to the Issue and Bankers to the Issue and the bank handling refund business.</p> <p>The BRLM shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company.</p>

BOOK BUILDING PROCESS

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

- The Company;
- The BRLM;

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

This Issue is being made through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIB”) Bidders. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

In accordance with the SEBI (ICDR) Regulations, QIBs are not allowed to withdraw their Bids after the Bid/Issue Closing Date. Please refer to the section titled “Issue Procedure” on page no. 207 for more details.

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

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

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

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

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

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

Steps to be taken by the Bidders for bidding:

1. Check eligibility for making a Bid (see section titled “Issue Procedure - Who Can Bid” on page no. 209 of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Except for Bids on behalf of the Central or State Governments and the officials appointed by the courts, for Bids of all values, ensure that you have mentioned your PAN and (see section titled “Issue Procedure – Permanent Account Number” on page no. 231);

4. Ensure that the Bid cum Application Form and the ASBA Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form and ASBA Bid cum Application Form; and
5. Bids by QIBs will have to be submitted to the BRLM only.
6. Bids by ASBA Bidders will have to be admitted to the Designated Branches. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSBs 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 (2) 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.

Bid/Issue Programme

Bidding Period/Issue Period

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

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 5 p.m.** (Indian Standard Time) during the Bidding/ Issue Period as mentioned above at the bidding centers mentioned on the Bid cum Application Form. Standardized cut-off time for uploading of bids on the bid/issue closing date is as under:

1. A standard cut-off time of 3.00 pm for acceptance of bids
2. A standard cut-off time of 4.00 pm for uploading of bids received from non retail applicants i.e. QIBs and HNIs.
3. A standard cut-off time of 5.00 pm for uploading of bids received from retail applicants, where the Bid Amount is up to ₹ 200,000 which may be extended up to such time as deemed fit by Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE. It is clarified that the Bids not uploaded in the book would be rejected.

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

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

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the

Bids received by Retail Bidders after taking into account the total number of Bids received upto the closure of the time period for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchange within half an hour of such closure.

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

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

Underwriting Agreement

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

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

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in lakhs)
Ashika Capital Limited 1008, Raheja Centre, 10 th Floor, 214, Nariman Point, Mumbai – 400 021.	[●]	[●]
[●]	[●]	[●]

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

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

In the opinion of our Board of Directors (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full as per schedule VIII, Part A, (VI) (B) (15) of SEBI (ICDR) Regulations, 2009 have been complied with. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement with the underwriters.

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

The underwriting arrangements mentioned above shall not apply to the subscription by the ASBA Bidders in this issue.

CAPITAL STRUCTURE

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

(in ₹, except share data)

		Aggregate Nominal Value	Aggregate Value at Issue Price
A. Authorized Capital			
	12,500,000 Equity Shares of face value of ₹ 10 each	125,000,000	125,000,000
B. Issued, Subscribed and Paid-Up Equity Capital before the Issue			
	5,500,000 Equity Shares of ₹ 10 each fully paid up	55,000,000	55,000,000
C. Present Issue in terms of this Draft Red Herring Prospectus*			
	5,283,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ [●] per share	52,830,000	[●]
	Of Which:*		
	QIB Portion – not more than 2,641,500 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] per share	26,415,000	
	Non-Institutional Portion – not less than 792,450 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] per share	7,924,500	
	Retail Portion – not less than 1,849,050 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] per share	18,490,500	
D. Issued, Subscribed and Paid-Up Capital after the Issue			
	10,783,000 Equity Shares of ₹ 10 each	107,830,000	[●]
E. Securities Premium Account			
	Before the Issue (as on March 31, 2012)		81,000,000
	After the Issue**		[●]

* Under-subscription, if any, in any of the above categories would be allowed to be met with spill over inter-se from other categories, at the sole discretion of the Company and BRLM.

** The Share Premium account after the issue will be determined at the time of filing of the Prospectus with RoC.

The present Issue in terms of this Draft Red Herring Prospectus has been authorized by the Board of Directors in their meeting held on January 02, 2012 and by the shareholders of our Company at the EGM held with a shorter notice on January 04, 2012.

Changes in the Authorised Capital

Our Company was incorporated on November 18, 2005 with an initial Authorised Capital of ₹ 100,000 divided into 10,000 Equity shares of ₹ 10 each. Since incorporation, the capital structure of our Company has been altered in the following manner:

Date of Change/Meeting	Existing Capital		Additional Capital		Total Capital		Remarks
	No. of Shares	₹/ Share	No. of Shares	₹/ Share	No. of Shares	₹/ Share	
On Incorporation	-	-	10,000	10	10,000	10	Incorporation
March 24, 2008	10,000	10	90,000	10	100,000	10	Increase
September 05, 2011	100,000	10	12,400,000	10	12,500,000	10	Increase

Note: Our present Authorised Share Capital is sufficient to meet the requirements of the Issue.

NOTES TO CAPITAL STRUCTURE

1. Share Capital History of our Company

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Name of Allottee	Cumulative No. of Equity Shares	Cumulative Paid-up Equity Share capital (₹)	Cumulative Share Premium (₹)
November 18, 2005	5,000	10	10	Cash	Mr. Nitin Somani – Subscription to MoA	5,000	50,000	NIL
November 18, 2005	5,000	10	10	Cash	Mrs. Sonal Somani – Subscription to MoA	10,000	100,000	NIL
March 25, 2008	45,000	10	10	Cash	Mr. Nitin Somani	55,000	550,000	NIL
March 25, 2008	45,000	10	10	Cash	Mrs. Sonal Somani	100,000	1,000,000	NIL
September 6, 2011	2,250,000	10	-	Bonus*	Mr. Nitin Somani	2,350,000	23,500,000	NIL
September 6, 2011	2,250,000	10	-	Bonus*	Mrs. Sonal Somani	4,600,000	46,000,000	NIL
September 8, 2011	509,000	10	100	Cash	Hasti Finance Limited	5,109,000	51,090,000	45,810,000
October 5, 2011	50,000	10	100	Cash	Mr. Devarajam Laxman Adepu	5,159,000	51,590,000	50,310,000
October 5, 2011	15,000	10	100	Cash	Mr. Nitin Somani	5,174,000	51,740,000	51,660,000
October 5, 2011	5,000	10	100	Cash	Ms. Niyati Sashikanth Hindocha	5,179,000	51,790,000	52,110,000
October 5, 2011	5,000	10	100	Cash	Mr. Amit Sashikanth Hindocha	5,184,000	51,840,000	52,560,000
October 5, 2011	5,000	10	100	Cash	Ms. Shilpaben Sashikanth Hindocha	5,189,000	51,890,000	53,010,000
November 5, 2011	126,000	10	100	Cash	Hasti Finance Limited	5,315,000	53,150,000	64,350,000
November 5, 2011	1,000	10	100	Cash	Mr. Manoj Prabhudas Somani	5,316,000	53,160,000	64,440,000
November 5, 2011	1,000	10	100	Cash	Mrs. Lucky Manoj Somani	5,317,000	53,170,000	64,530,000
November 5, 2011	1,000	10	100	Cash	Mr. Salim Ismail Shaikh	5,318,000	53,180,000	64,620,000
November 5, 2011	1,000	10	100	Cash	Mr. Paresch Devidas Davada	5,319,000	53,190,000	64,710,000
November 5, 2011	1,000	10	100	Cash	Mr. Mehul Nilesh Shah	5,320,000	53,200,000	64,800,000
November 5, 2011	50,000	10	100	Cash	Mr. Sanjay Jain	5,370,000	53,700,000	69,300,000

November 5, 2011	60,000	10	100	Cash	Kruti Promotions and Events Private Limited	5,430,000	54,300,000	74,700,000
November 5, 2011	5,000	10	100	Cash	Mr. Viral Sashikanth Hindocha	5,435,000	54,350,000	75,150,000
November 5, 2011	25,000	10	100	Cash	Mr. Nitin Somani	5,460,000	54,600,000	77,400,000
November 5, 2011	40,000	10	100	Cash	Mrs. Sonal Somani	5,500,000	55,000,000	81,000,000

** Pursuant to EGM held on September 5, 2011, our Company has issued 4,500,000 Bonus Shares in the ratio of 45:1 i.e. 45 equity shares for every 1 equity share held to the shareholders, by way of capitalization of profit & loss / general reserve.*

2. Our Company has not Issued Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	Name of the Allottees	No. of Equity Shares	FV (₹)	Nature of Allotment	Benefits Accrued to the Company
September 6, 2011	Mr. Nitin Somani	2,250,000	10	Bonus	Nil
September 6, 2011	Mrs. Sonal Somani	2,250,000	10	Bonus	Nil

3. Our Company has not allotted any Shares under sections 391-394 of the Companies Act 1956.
4. We have not revalued our assets since inception and hence we do not have any revaluation reserves.
5. Our Company has not allotted Equity Shares during preceding one year from the date of the DRHP which may be lower than the Issue price except the following:

Date of Allotment	Number of Shares	Issue Price (in ₹)
September 08, 2011	5,09,000	100
October 05, 2011	80,000	100
November 05, 2011	3,11,000	100

6. We presently do not intend or propose to alter our capital structure for a period of six months from the Bid/ Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. Additionally, if we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider using our Equity Shares as currency for acquisitions or participation in such joint ventures we may enter into and/or we may raise additional capital to fund accelerated growth, subject to the compliance with the relevant guidelines/regulations etc.
7. There will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed or refund of the application money, as the case may be.

8. Shareholding of Promoter and Promoter Group before and after the Issue:

Category of Promoters	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
1. Promoter				
Mr. Nitin Somani	2,340,000	42.55	2,340,000	21.70
Mrs. Sonal Somani	2,340,000	42.55	2,340,000	21.70
2. Immediate Relatives of Promoter				
Mr. Manoj Prabhudas Somani	1,000	0.02	1,000	0.01
3. Companies in which 10% or more of the share capital is held by the Promoter / an immediate relative of the Promoter / a firm or HUF in which the Promoter or any one or more of their immediate relatives is a member				
Hasti Finance Limited	635,000	11.55	635,000	5.89
4. Companies in which company mentioned above holds 10% or more of the share capital	--	--	--	--
5. HUF or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 10% of the total	--	--	--	--
6. All persons whose shareholding is aggregated for the purpose of disclosing in the prospectus as "Shareholding of the Promoter Group".	--	--	--	--
Mrs. Lucky Manoj Somani	1,000	0.02	1,000	0.01
Mrs. Paresb Devidas Davada	1,000	0.02	1,000	0.01
Total Promoter & Promoter Group Holding	5,318,000	96.69	5,318,000	49.32
Total Paid up Capital	5,500,000	100.00	10,783,000	100.00

9. During the past six months, there are no transactions in our Equity Shares, which have been purchased/(sold) by our Promoters, their relatives and associates, persons in Promoter Group (as defined under sub-clause (zb) sub-regulation (1) Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of the Company.

10. Details of the Build-up of Promoters' shareholding and Lock - in

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

Date of Allotment /Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. Of Shares	% of Pre Issue Paid – Up Capital	% of Post Issue Paid – Up Capital	Lock in period
Mr. Nitin Somani									
November 18, 2005	MoA	Cash	5,000	10	10	5,000	0.09	0.05	One Year
March 25, 2008	Further issue	Cash	45,000	10	10	50,000	0.91	0.46	One Year
September 6, 2011	Bonus	-	1,171,700	10	-	1,221,700	22.21	11.33	One Year
September 6, 2011	Bonus	-	1,078,300	10	-	2,300,000	41.82	21.33	Three Years [#]
October 5, 2011	Further allotment	Cash	15,000	10	100	2,315,000	42.09	21.47	One Year

Date of Allotment /Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. Of Shares	% of Pre Issue Paid – Up Capital	% of Post Issue Paid – Up Capital	Lock in period
November 5, 2011	Further allotment	Cash	25,000	10	100	2,340,000	42.55	21.70	One Year
Mrs. Sonal Somani									
November 18, 2005	MoA	Cash	5,000	10	10	5,000	0.09	0.05	One Year
March 25, 2008	Further issue	Cash	45,000	10	10	50,000	0.91	0.46	One Year
September 6, 2011	Bonus	-	1,171,700	10	-	1,221,700	22.21	11.33	One Year
September 6, 2011	Bonus	-	1,078,300	10	-	2,300,000	41.82	21.33	Three Years [#]
November 5, 2011	Further allotment	Cash	40,000	10	100	2,340,000	42.55	21.70	One Year

[#] The shares allotted as bonus shares are issued out of profit & loss / general reserve account and are eligible for minimum promoter contribution as required under Regulation 33 (1) (a) of SEBI (ICDR) Regulations, 2009.

Promoters' Contribution and Lock-in

The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this connection, as per Regulation 33 of the SEBI (ICDR) Regulations, our Company confirms the following:

1. The Equity Shares offered for minimum 20% Promoters' contribution are not acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or against shares which are otherwise ineligible for computation of Promoters' contribution;
2. The minimum Promoters' contribution does not consist of Equity Shares acquired during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
3. Our Company has not been formed by the conversion of a partnership firm into a company;
4. The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge;
5. The minimum Promoters' contribution does not consist of any private placement made by solicitation of subscriptions from unrelated persons either directly or through any intermediary; and
6. The minimum Promoters' contribution does not consist of Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the minimum Promoters' contribution subject to lock-in.

11. Details of Promoters' Shareholding which shall be locked-in are given below:

a) Details of pre-Issue Equity Share capital locked in for three years

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

Details of the Promoters Lock-in for a period of three years from the date of Allotment are as below:

Name of the Promoter	Date of Allotment	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue Price (₹)	% of pre-Issue share capital (%)	% of post-Issue share capital (%)
Mr. Nitin Somani	September 6, 2011	Bonus [#]	Non – Cash	1,078,300	10	-	19.61	10.00
Mrs. Sonal Somani	September 6, 2011	Bonus [#]	Non – Cash	1,078,300	10	-	19.61	10.00
Total				2,156,600	10	-	39.28	20.00

[#] The shares allotted as bonus shares are issued out of profit & loss / general reserve and are eligible for minimum promoter contribution as required under Regulation 33 (1) (a) of SEBI (ICDR) Regulations, 2009.

Our Company has obtained specific written consent from our Promoters for inclusion of the above Equity Shares for lock-in. All Equity Shares held by our Promoters in our Company are free from pledge.

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

In addition to the 20% Equity Shares proposed to be locked-in as part of the Promoters' contribution as stated above, the entire pre-Issue equity share capital of our Company will be locked-in for a period of one year from the date of Allotment in the Issue.

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

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

12. There has been no financing arrangement whereby the Directors and/ or their relatives have financed the purchase of Equity Shares of our Company, by any other person during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.
13. The securities which are subject to lock-in shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depositories. The details of lock-in will be provided to the stock exchanges where the shares are to be listed, before listing of the securities.

14. Shareholding pattern of our Company

The table below represents our shareholding pattern in accordance with Clause 35 of the Listing Agreement:

Category code	Category of Shareholder	No. of Shareholders	(Pre-Issue)		Number of shares held in dematerialized form	(Post-Issue)		Shares Pledged or otherwise Encumbered	
			No. of Shares	%		No. of Shares	%	No. of Shares	As a %
(A)	Shareholding of Promoter and Promoter Group								
1	Indian								
(a)	Individuals / Hindu Undivided Family	5	4,683,000	85.15	0	4,683,000	43.43	-	-
(b)	Bodies Corporate	1	635,000	11.54	0	635,000	5.89	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-
(e)	Any Others(Specify)	-	-	-	-	-	-	-	-
(e-i)	Trust	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	6	5,318,000	96.69	0	5,318,000	49.32	-	-
2	Foreign								
(a)	Individuals (Non-Residents Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Other, Specify	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	6	5,318,000	96.69	0	5,318,000	49.32	-	-
(B)	Public shareholding								
1	Institutions								
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	-	-	-	-
(c)	Insurance Companies	-	-	-	-	-	-	-	-
(d)	Foreign Institutional Investors	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-
2	Non-institutions								
(a)	Bodies Corporate	1	60,000	1.09	0	60,000	0.56	-	-
(b)	Individuals								
I	Individual shareholders holding nominal share capital upto ₹ 1 lakh	4	20,000	0.36	0	20,000	0.18	-	-
II	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	2	100,000	1.82	-	100,000	0.93	-	-
(c)	Any Other (specify)								
	Mr. Salim Ismail Shaikh		1,000	0.02		1,000	0.01	-	-
	Mr. Mehul Nilesh Shah		1,000	0.02		1,000	0.01	-	-
(d)	Public Issue	[●]	-	-	-	5,283,000	48.99		
	Sub-Total (B)(2)	9	182,000	3.31	0	5,465,000	50.68		
	Total Public Shareholding (B) = (B)(1)+(B)(2)	9	182,000	3.31	0	5,465,000	50.68	-	-
	TOTAL (A)+(B)	15	5,500,000	100.00	0	10,783,000	100.00	-	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-			-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	15	5,500,000	100.00	0	10,783,000	100.00	-	-

15. Our Company, Promoters, Directors and the BRLM have not entered into any buy-back and/or safety net arrangements for the purchase of Equity Shares of our Company from any person.
16. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Issue as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. The number of Equity Shares to be issued to the Promoters and subject to lock- in will be determined after finalization of Issue Price. The number of shares to be issued to the Promoters will be such so as to ensure that the minimum contribution of 20% of the Post Issue paid-up capital is made and that the same is locked in for a period of 3 years.
17. Since the entire money of ₹ [●] per share (₹ 10 face value + ₹ [●] premium) is being called on application, all the successful applicants will be issued fully paid-up equity shares only.
18. Not more than 50% of the Issue shall be allocated to QIBs on a proportionate basis. 5% of the QIB Portion shall be available for allocation to Mutual Funds only and the remaining QIB Portion shall be available for allocation to the QIB Bidders including Mutual Funds subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. For further details, see "Issue Structure" beginning on page no. 207 of this Draft Red Herring Prospectus.
19. Shareholders of our Company and the number of Equity Shares held by them is as under:
- (a). Top ten Shareholders as of the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Mr. Nitin Somani	23,40,000	42.55
2.	Mrs. Sonal Somani	23,40,000	42.55
3.	Hasti Finance Limited	6,35,000	11.55
4.	Kruti Promotions and Events Private Limited	60,000	1.09
5.	Mr. Devarajam Laxman Adepu	50,000	0.91
6.	Mr. Sanjay Jain	50,000	0.91
7.	Mr. Viral Shashikant Hindocha	5,000	0.09
8.	Ms. Niyati Shashikant Hindocha	5,000	0.09
9.	Mr. Amit Shashikant Hindocha	5,000	0.09
10.	Ms. Shilpaben Shashikant Hindocha	5,000	0.09
	Total	54,95,000	99.91

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

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Mr. Nitin Somani	23,40,000	42.55
2.	Mrs. Sonal Somani	23,40,000	42.55
3.	Hasti Finance Limited	6,35,000	11.55
4.	Kruti Promotions and Events Private Limited	60,000	1.09
5.	Mr. Devarajam Laxman Adepu	50,000	0.91
6.	Mr. Sanjay Jain	50,000	0.91
7.	Mr. Viral Shashikant Hindocha	5,000	0.09
8.	Ms. Niyati Shashikant Hindocha	5,000	0.09
9.	Mr. Amit Shashikant Hindocha	5,000	0.09
10.	Ms. Shilpaben Shashikant Hindocha	5,000	0.09
	Total	54,95,000	99.91

(c). Top ten shareholders two years prior to date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Mr. Nitin Somani	50,000	50.00
2.	Mrs. Sonal Somani	50,000	50.00
	Total	100,000	100.00

20. The BRLM or associates of the BRLM do not hold any Equity Shares in our Company.
21. Our Company does not have any employee stock option plan as on the date of this Draft Red Herring Prospectus.
22. Our Company has not raised any bridge loan against the proceeds of this Issue.
23. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
24. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled "Our Management" beginning on page no. 104 of this Draft Red Herring Prospectus.
25. Our Company, our Directors, our Promoters or the Promoter Group shall not make any, direct or indirect, payments, discounts, commissions or allowances under this Issue, except as disclosed in this Draft Red Herring Prospectus.
26. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus with SEBI and the Bid/Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
27. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into our Equity Shares. There is no Share Application Money pending allotment as on the date of filing this DRHP.
28. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder.
29. As of date of this Draft Red Herring Prospectus, the total number of holders of Equity Shares is 15.
30. As on the date of filing this Draft Red Herring Prospectus with SEBI, the entire issued Share Capital of our Company is fully paid-up.

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Our Company is engaged in the business of Logistics and Cargo transportation. Our Company intends to expand the existing business and the present Issue is being made for the following purposes:

Sr. No.	Particulars
I.	Setting up of Warehouses at Pune
II.	Purchase of Vehicles
III.	Purchase of Office Equipments
IV.	Meeting Working Capital Requirement
V.	Issue Expenses

Further, our Company believes that listing will enhance our Company's brand name and create a public market for its Equity Shares in India

The main Object Clause of our Memorandum of Association and Objects incidental to the main objects enable us to undertake existing activities as well as activities for which the funds are being raised through this Issue. Further, the Company confirms that activities it has been carrying out till date are in accordance with the Objects Clause of our Company's Memorandum of Association.

Requirement of Funds

(₹ In lakhs)		
Sr. No.	Particulars	Amount
I.	Setting up of Warehouses at Pune	2,320.15
II.	Purchase of Vehicles	1,386.57
III.	Purchase of Office Equipments	61.06
IV.	Meeting Long Term Working Capital Requirement	1,502.36
V.	Issue Expenses	●
	Total	●

Means of Finance

(₹ in lakhs)		
Sr. No.	Particulars	Amount
I.	Proceeds from Initial Public Offer	●
II.	Internal Accruals	●
	Total	●

The entire fund requirement towards the aforesaid Objects of the Issue is proposed to be funded through the Proceeds from the Issue and Internal Accruals and hence, no amount is proposed to be raised through any other means of finance. Accordingly, regulation 4 (2) (g) of SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the amount to be raised through the proposed issue and through existing identifiable internal accruals), does not apply. The amount of free reserves of our Company as on March 31, 2012 stood at ₹ 1307.39 lakhs.

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

The management of our Company, in accordance with the policies set up by the Board, will have flexibility in deploying the Issue Proceeds, as well as the discretion to revise its business plan from time to time and consequently the funding requirement and deployment of funds may also change. This may include re-scheduling the proposed utilisation of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilisation of Issue Proceeds. In the event of significant variations in the proposed utilisation, approval of the shareholders of our Company shall be duly sought. 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 other purposes for which funds are being raised in

this Issue. If such surplus funds are unavailable, the required financing will be met through internal accruals and/or debt. Our Company believes that such alternative arrangements would be available to fund any such shortfall. In the event any surplus funds remain from the Issue Proceeds after meeting all the aforesaid objectives, such surplus proceeds will be used for meeting future growth opportunities.

Details of Objects of the Issue

I. Setting up of Warehouses at Pune

Our Company believes that there exists huge demand for Warehouses in the Logistics Sector. At present, our Company has a booking office in Mumbai and 45 depots spread across various cities in India. By expansion in this area, we propose to provide our customers with the total proposed warehouse space or part thereof, as per their requirement, all under one roof. We also propose to provide warehouse space on a rental basis i.e. 'Per Day', 'Per Month' or 'Per Year' as per the customers' requirement.

Our current fund requirement is for purchasing 2 plots of land in Pune and constructing warehouses thereon as well as for construction of a warehouse on an existing plot of land, leased from our Promoters, which is also in Pune, situated at Survey No. 25, Hissa No. 4/3, near Punavle – Hinjewadi Road, Taluka Mulshi, Pune for which our Company has irrevocable development rights. For details of the land at Mulshi, please see the chapter titled "History and Corporate Structure" beginning on page no. 101 of this DRHP.

The total cost is estimated at ₹ 2320.15 lakhs, details of which are as under:

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	Acquisition of Land	1,080.84
2.	Site Development	166.32
3.	Building Construction and Civil Works	1,072.99
Total		2,320.15

1. Acquisition of Land

Our Company has identified 2 plots of Land in Pune for setting up warehouses. Our Company has entered into a MoU with the respective parties for purchase of such Land. Our Company is in the process of ascertaining the title and the acquisition will be completed as per the Schedule of Implementation provided in this Chapter.

Location of Land	Name of the Vendor	Status of Acquisition	Date of MoU	Amount Deployed (₹ in lakhs)	Land Area	Total Cost (₹ in lakhs)
Pune: Gat No 56,186/1, 187/1, 196/1, 193/2, 187/2, Mouje Chande (Paud) Tamihini, Taluka - Mulshi, Dist - Pune	Mr. Dadaram Manohar Mandekar*	MoU signed	November 23, 2011	11.00	1 Hectar 78 Ares (approx. 4.40 Acres)	222.50
Pune: Gat No. 59, 67, 61, 65, 68, 73, 76, 77, 79, 80, 60, 81, 82, 71, Mouje Dhamne (Chakan), Taluka - Khed, Dist - Pune	Mr. Sitaram Madhukar Pawar*	MoU signed	December 7, 2011	21.00	8 Hectar 65.40 Ares (approx. 21.38 Acres)	806.30
Stamp duty						51.44
Registration Charges						0.60
Total						1,080.84

* We confirm that the vendors / sellers are not related to the Promoters / Group Entities.

2. Site Development

As per the estimates received from Haresh Engineering Pvt. Ltd., Government registered Civil Engineers having their office at 48, M. B. Kawali Wadi, Room No. 18, Gokhale Road, Saitan Chowki, Dadar (W), Mumbai – 400 028 ("Haresh Engineering"), vide quotation no. HEPL/FTCPL/0406/2012, dated April 07, 2012 and HEPL/FTCPL/0407/2012 dated April 07, 2012, the total cost of Site Development at Paud, Pune is ₹ 56.40 lakhs and at Chakan, Pune is ₹ 96.02 lakhs, respectively. The details of Site development costs are given below:

Sr. No	Particulars	Type	Size	Total Area in Sq. ft.	Rate / Sq. ft. (₹)	Amount (₹ in lakhs)
(i) Proposed Land at Paude, Pune						
1.	Plot levelling	-	160,000 Sq. ft.	160,000	19.00	30.40
2.	Compound wall with main gate/barbed wire fencing.	R.R. Masonry Brick Masonry, B. B. wire fence and Gate	3200 x 7ft.	22,400	50.00	11.20
3.	Compound open area development with concrete for parking	-	20,000 Sq. ft.	20,000	74.00	14.80
Sub – Total (i)						56.40
(ii) Proposed Land at Chakan, Pune						
1.	Plot levelling	-	300,000 Sq. ft.	300,000	18.00	54.00
2.	Compound wall Barbed Wire fencing and main gate	R.R. Masonry Brick Masonry, B. B. wire fence and Gate	4800 x 7ft.	33,600	49.00	16.46
3.	Compound open area development with concrete for parking	-	36,000 Sq. ft.	36,000	71.00	25.56
Sub – Total (ii)						96.02
Total (i + ii)						152.42
(iv) Taxes						
1.	Service Tax @ 4.12%					6.28
2.	MVAT @ 5%					7.62
Grand Total						166.32

The above cost estimates are based on the quotations received from the said contractor. We have considered the quotations for the budgetary estimate purpose and have not placed orders for any of the aforesaid construction work. The actual expenditure incurred and actual contractor may vary from the one indicated above based on the time and cost, or tax or duty implications, involved in actual construction. The above contractor is not related to our Company and our Promoters / Group Entities. All the above quotations are valid for a period for 6 months from the date of the quotation and are valid as on date of filing of this DRHP.

3. Building and Civil Work

As per the estimates received from Haresh Engineering, vide quotation no. HEPL/FTCP/0406/2012, dated April 07, 2012 and HEPL/FTCP/0407/2012 dated April 07, 2012, the total cost of Building Construction and Civil Work at Paude, Pune is ₹ 237.32 lakhs and at Chakan, Pune is ₹ 555.19 lakhs, respectively. Besides this, as per quotation no. HEPL/FTCP/0405/2012, dated April 07, 2012, the cost of Building Construction and Civil Work for the warehouse at the existing land at Mulshi, Pune is ₹ 190.80 lakhs. The details of Building Construction and Civil Work costs are given below:

Sr. No	Particulars	Type	Size	Total Area in Sq. ft	Rate per Sq. ft (₹)	Amount (₹ in lakhs)
(i) Proposed Land at Paude, Pune						
1.	Watchman's Cabin	Load Bearing	2 x 18 x 10 ft.	360	735.00	2.65
2.	R.C.C Foundation for main building. Built-up area	R.C.C. / Brick work / Structural Steel	40,000 Sq. ft.	40,000	399.00	159.60
3.	M.S. Structure for roof. Built-up area	Columns / Beams / Purling	40,000 Sq. ft.	40,000	82.00	32.80
4.	M.S Sheet for roof	Aluminium	40,000 Sq. ft.	40,000	39.00	15.60

		Trafford sheet				
5.	Office Cabin	Load Bearing	2,000 Sq. ft	2,000	525.00	10.50
6.	Rest room for drivers and watchmen	R.C.C and Brick work	1,200 Sq. ft	1,200	410.00	4.92
7.	Plumbing					4.50
8.	Electricity					6.75
	Sub – Total (i)					237.32
(ii) Proposed Land at Chakan, Pune						
1.	Watchman’s Cabin	Load Bearing	2 x 24 x 10 ft.	480	709.00	3.40
2.	R.C.C Foundation for main building. Built-up area	R.C.C. / Brick work/ Structural Steel	90,000 Sq. ft.	90,000	388.00	349.20
3.	M.S. Structure for roof. Built-up area	Columns / Beams / Purling	90,000 Sq. ft.	90,000	80.00	72.00
4.	M.S Sheet for roof	Aluminium Trafford sheet	90,000 Sq. ft.	90,000	36.00	32.40
5.	Office Cabin	Load Bearing	2,400 Sq. ft	2,400	515.00	12.36
6.	Rest room for drivers and watchmen’s	R.C.C and Brick work	2,100 Sq. ft	2,100	399.00	8.38
7.	Plumbing					22.45
8.	Electricity					55.00
	Sub – Total (ii)					555.19
(iii) Existing Land at Mulshi, Pune						
1.	Watchman’s Cabin	Load Bearing	30 x 10 ft.	300	700.00	2.10
2.	R.C.C Foundation for main building. Built-up area	R.C.C. / Brick work/ Structural Steel	22,000 Sq. ft.	22,000	550.00	121.00
3.	M.S. Structure for roof. Built-up area	Columns / Beams / Purling	Various sizes	22,000	100.00	22.00
4.	M.S Sheet for roof	Aluminium Trafford sheet	22,000 Sq. ft.	22,000	50.00	11.00
5.	Office Cabin	Load Bearing	1,500 Sq. ft	1,500	850.00	12.75
6.	Rest room for drivers and watchmen’s	R.C.C and Brick work	1,500 Sq. ft	1,500	735.00	11.03
7.	Plumbing					3.12
8.	Electricity					7.80
	Sub – Total (iii)					190.80
Total (i + ii + iii)						983.31
(iv) Taxes						
1.	Service Tax @ 4.12%					40.51
2.	MVAT @ 5%					49.17
Grand Total						1072.99

The above cost estimates are based on the quotations received from the said contractor. We have considered the quotations for the budgetary estimate purpose and have not placed orders for any of the aforesaid construction work. The actual expenditure incurred and actual contractor may vary from the one indicated above based on the time and cost, or tax or duty implications, involved in actual construction. The above contractor is not related to our Company and our Promoters / Group Entities. All the above quotations are valid for a period for 6 months from the date of the quotation and are valid as on date of filing of this DRHP.

II. Purchase of Vehicles

As part of our expansion plan, we propose to substantially increase our business in the area of Road Cargo. Currently we have a fleet of 71 trucks with different load capacities. We propose to increase our fleet considerably by purchasing 75 new trucks with varying load capacities. The total cost is estimated at ₹1,386.57 lakhs including Chassis and Fabrication. The details are as under:

(₹ in lakhs)

Particulars	Name of the Supplier / Vendor	Date of Quotation	Rate per Vehicle	No. of Vehicles	Total Cost
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(A) EICHER (24 Feet) 20.16 – 147 HP – 4 Stroke Diesel Engine					
Chassis	FortPoint Automotive Mumbai Pvt. Ltd.	April 10, 2012	14.37	60	862.34
RTO – Registration					18.00
Insurance					16.80
Sub Total (i)					897.14
Fabrication and Mounting of Cabin & Rear					
Load Body on Chassis	Trimurti Enterprises, Mumbai	April 10, 2012	2.45	60	147.00
MVAT (@ 12.5%)					18.38
Sub Total (ii)					165.38
Total A					1062.52
(B) EICHER (36 Feet) 30.25 – 154 HP (BS III) – 4 Stroke Diesel Engine					
Chassis	FortPoint Automotive Mumbai Pvt. Ltd.	April 10, 2012	16.69	15	250.38
RTO – Registration					8.25
Insurance					7.20
Sub Total (i)					265.83
Fabrication and Mounting of Cabin & Rear					
Load Body on Chassis	Trimurti Enterprises, Mumbai	April 10, 2012	3.45	15	51.75
MVAT (@ 12.5%)					6.47
Sub Total (ii)					58.22
Total B					324.05
Grand Total (A + B)					1,386.57

The above cost estimates are based on the quotations received from the said suppliers/vendors. We have considered the quotations for the budgetary estimate purpose and have not placed orders for any of the aforesaid vehicles. The actual expenditure incurred and actual supplier/vendor may vary from the ones indicated above based on the time and cost, or tax or duty implications, involved in actual procurement. None of the suppliers/vendors are related to our Company and our Promoters / Group Entities. The Company does not intend to utilise the issue proceeds to procure any second hand vehicle.

III. Purchase of Office Equipments

As per the estimates received from M/s Lifeline Computers having their office at shop no. 3, Bottawalla Bldg, New Prabhadevi Rd, Mumbai 400 025; Tel : 022 24308885; Fax : 022 24221370, Mumbai vide their quotation no. FTC/qte/HP desktop/1/070412 and FTC/qte/HP desktop/2/070412 dated April 07, 2012, the cost of office equipments consisting of computer systems required at Pune is estimated at ₹61.06 lakhs. The details are as given below:

(₹ in lakhs)					
Sr. No.	Description	Quotation Date	Rate per piece	Quantity	Total Cost
1.	HP All in one Series Desktop Computer	April 07,2012	0.42	75	31.50
2.	HP Elite 7100 Series Desktop Computer	April 07,2012	0.41	65	26.65
3.	VAT @ 5%	-	-	-	2.91
Total					61.06

The above cost estimates are based on the quotations received from the said supplier/vendor. We have considered the quotations for the budgetary estimate purpose and have not placed orders for any of the aforesaid office equipments. The actual expenditure incurred and actual supplier/vendor may vary from the ones indicated above based on the time and cost, or tax or duty implications, involved in actual procurement. The above supplier/vendor is not related to our Company and our Promoters / Group Entities. The Company does not intend to utilise the issue proceeds to procure any second hand equipment. All the above quotations are valid for a period for 2 months from the date of the quotation and are valid as on date of filing of this DRHP.

IV. Meeting Long Term Working Capital Requirement

The working capital requirement has been calculated on the basis of additional working capital which will be required after the implementation of expansion plans of our Company. We are proposing to meet our working capital requirements, to the extent of ₹ 1502.36 lakhs, from the proceeds of the Issue.

Our proposed Working Capital requirement and funding for the same is given hereunder:

(₹ In lakhs)

Particulars	Holding Period (Days)	As on March 31, 2012 (Audited)	Estimates considering Expansion
Current Assets (A)			
Inventories		0.00	0.00
Debtors	90 days	1,606.97	2,622.92
Other Current Assets		388.17	1,075.89
Sub -Total (A)		1,995.14	3,698.81
Current Liabilities (B)			
Creditors for Expenses	30 days	428.69	630.00
Sub -Total (B)		428.69	630.00
Working Capital Gap (A-B)		1,566.45	3,068.81
Actual/ Projected Net Working Capital Available [#]		1,566.45	1,566.45
Amount to be financed through Issue Proceeds			1,502.36

[#] includes internal accruals / own source (share capital including premium)

The assumptions for the above working capital requirement are given in the table below:

Sr. No.	Particulars	Underlying Assumption
1.	Receivables	Average number of 90 days of the estimated Total Income
2.	Creditors for expenses	Average number of 30 days of estimated Total Operating Expenses
3.	Other Current Assets	These include, deposits made to Owners of the office / warehouse premises and Loans & Advances to others

Our Company does not have any sanctioned limit from any bank for working capital.

V. Issue Expenses*

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

Activity	Expenses	% of Issue Expenses	% of Issue Size
Issue Management Fees (Lead Management Fees, Underwriting and Selling Commission, etc.)	[•]	[•]	[•]
Advertisement and Marketing Expenses	[•]	[•]	[•]
Printing, Stationery and Distribution Expenses	[•]	[•]	[•]
IPO Grading Expenses	[•]	[•]	[•]
Others (including Legal Advisors Fee, Auditors Fee, Registrars Fee, SCSB commission, Regulatory Fees including filing fees paid to SEBI and Stock Exchanges)	[•]	[•]	[•]
Total estimated Issue Expenses	[•]	[•]	[•]

* will be completed after finalization of Issue Price

Schedule of Implementation

Sr. No.	Activities	Expected Commencement	Expected Completion
1.	Acquisition of Land	August 2012	
	Site Development		
2.	a) <i>Paude, Pune</i>	September 2012	November 2012
	b) <i>Chakan, Pune</i>	September 2012	November 2012
	Building Construction / Civil Work		
3.	a) <i>Building Construction of Paude, Pune</i>	December 2012	May 2013
	b) <i>Building Construction of Chakan, Pune</i>	December 2012	May 2013
	c) <i>Building Construction of Mulshi, Pune</i>	September 2012	February 2013
	Purchase of Vehicles		
4.	a) <i>Placement of Order</i>	August 2012	January 2013
	b) <i>Delivery of Chassis</i>	September 2012	February 2013
	c) <i>Delivery of Vehicles</i>	November 2012	March 2013
5.	Purchase of Office Equipment	January 2013	May 2013
6.	Commencement of Warehousing Activities*	March 2013	-

* *Partial commencement as only one warehouse is expected to be ready by February 2013*

Deployment of Funds and Sources

We have incurred an amount of ₹ 46.25 lakhs till March 31, 2012 relating to the Objects of the Issue which has been certified by our Statutory Auditors, M/s Sandeep Rathi & Associates *vide* their certificate dated April 24, 2012.

The above mentioned expenses have been incurred towards Issue expenses and part payment towards the MoU entered for purchase of Land. They have been financed through internal accruals of our Company.

Year-wise Schedule of Deployment of Fund

(₹ In lakhs)

Sr. No.	Activities	Funds Deployed till March 31, 2012	FY ended March 2013	Total
1.	Land	32.00	1,048.84	1,080.84
2.	Site Development	-	166.32	166.32
3.	Building Construction / Civil Work	-	1,072.99	1,072.99
4.	Purchase of Vehicles	-	1,386.57	1,386.57
5.	Purchase of Office Equipment	-	61.06	61.06
6.	Issue Expenses	14.25	●	●
	Total	46.25	●	●

Interim Use of Funds

The management, in accordance with the policies set up by the Board, will have flexibility in deploying the proceeds to be received from the Issue. Pending utilization for the purposes described above, our Company intends to temporarily invest the funds in high quality interest or dividend bearing liquid instruments including deposits with banks for the necessary duration. Such investments would be in accordance with any investment criteria approved by the Board of Directors from time to time. Our Company confirms that pending utilization of the Issue proceeds; it shall not use the funds for any investments in the Equity Markets.

Monitoring of Utilization of Funds

As our Issue size is less than 500 Crores, we have not appointed any monitoring agency to monitor the utilization of issue proceeds, as the same is not required as per SEBI Regulations. Our Board of Directors will monitor the utilization of proceeds of this Issue on a regular basis.

We will disclose the utilization of the proceeds raised through this Issue under a separate head in our financial statements clearly specifying the purpose for which such proceeds have been utilized. As per the requirements

of Clause 49 of the Listing Agreement, we will disclose to the Audit Committee the uses/applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in this RHP and place it before the Audit Committee. The said disclosure shall be made till such time that the full proceeds raised through the Fresh Issue have been fully spent. The statement shall be certified by our Statutory Auditors. Further, in terms of Clause 43A of the Listing Agreement, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the Objects stated in the Red Herring Prospectus. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Clause 41 of the Listing Agreement and are published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Clause 49.

No part of this Issue proceeds will be paid by us as consideration to our Promoter, Directors, key managerial personnel or entities promoted by our Promoter, save and except in the normal course of business.

BASIC TERMS OF THE ISSUE**Terms of the Issue**

The Equity Shares being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Terms of Payment

Applications should be for a minimum of [●] equity shares and [●] equity shares thereafter. The entire price of the equity shares of ₹ [●] per share (₹ 10/- face value + ₹ [●] premium) is payable on application.

In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded by us to the applicants.

Authority for the Issue:

The Issue of Equity Shares by our Company has been proposed by the resolution of the Board of Directors passed at their meeting held on January 02, 2012. The shareholders of our Company authorized and approved this Issue under section 81(1A) of the Act by a Special Resolution in the Extra-ordinary General Meeting of our Company held with a shorter notice on January 04, 2012.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Face Value and Issue Price per Share

The Equity Shares having a face value of ₹ 10/- each are being offered in terms of this DRHP at a price of ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Price Band: ₹ [●] to ₹ [●] per Equity share of face value of ₹ 10/- each. The Floor Price is [●] times of the face value and the Cap Price is [●] times the Face Value.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. In terms of existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialised form for all investors.

Since trading of the Equity Shares will be in dematerialized mode, the tradable lot is one Equity Share. Allocation and allotment of Equity Shares through this Offer will be done only in electronic form in multiples of 1 Equity Share subject to a minimum allotment of [●] Equity Shares to the successful bidders.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Issue to the Public including devolvement of the members of the Syndicate if any within 60 days from the Bid Closing Date, we shall forthwith refund the entire subscription amount received without any interest. However, if the subscription amount is not refunded within

eight (8) days after the 60 day period is over, we shall on and from the expiry of the eighth day be liable to refund the subscription amount and pay interest prescribed under Section 73 of the Companies Act, 1956.

BASIS FOR ISSUE PRICE

Investors should review the entire Draft Red Herring Prospectus, including the sections “Risk Factors”, “Our Business” and “Financial Statements” beginning on page nos. xii, 71 and 139 respectively, of this Draft Red Herring Prospectus to get a more informed view before making the investment decision.

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for the offered Equity Shares by the Book Building Process. The face value of the Equity Shares of our Company is ₹ 10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Qualitative Factors

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

- A Cargo transportation and Logistics Company having Pan India Presence
- Proven track record in the cargo and logistics business
- State of the art cargo management and tracking system
- Low dependence on hiring third-party vehicles in the cargo transportation business
- Experienced and motivated management team
- Diversified customer base including various industry sectors like Printing, Automobile, Pharmaceutical, FMCG, etc.

For detailed discussion on the qualitative factors which form the basis for computing the price, please see, “Our Business” and “Risk Factors” beginning on page nos. 71 and xii respectively, of this Draft Red Herring Prospectus.

Quantitative Factors

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

1. Earnings Per Share (EPS)

Financial Period	Earnings Per Share (₹)	Weight
Year ended March 31, 2010	1.76	1
Year ended March 31, 2011	4.77	2
Year ended March 31, 2012	9.12	3
Weighted Average	6.44	

Note:

- (a) EPS represents adjusted earnings per share calculated as per Accounting Standard 20 issued by Institute of Chartered Accountants of India.
- (b) The figures which are disclosed above are based on the restated audited financial information of our Company.
- (c) The weighted average number of Equity shares is the number of Equity Shares outstanding at the beginning of the year, adjusted by the number of Equity share issued during the year multiplied by the time-weighting factor. The time-weighting factor is number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.

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

Particulars	Issue Price of ₹ [●] per share
Based on EPS for March 31, 2012 of ₹ 9.12	₹ [●]
Based on weighted average EPS of ₹ 6.44	₹ [●]

Industry P/E	
Highest – Chartered Logistics	22.50
Lowest – Aqua Logistics	11.40
Average	16.95

Source: Capital Market Volume XXVII/04, April 16-29, 2012

* There is no separate grouping for players in the logistics industry. Since logistic companies are covered under Miscellaneous Industry Segment in the above source, we have therefore computed the above ratios, based on the data of logistics companies only. The data computed is not based on the entire Miscellaneous Industry Segment.

3. Return on Average Net Worth (RoNW):

Financial Period	RoNW %	Weight
Year ended March 31, 2010	29.89	1
Year ended March 31, 2011	44.79	2
Year ended March 31, 2012	25.07	3
Weighted Average	32.45	

Note: RoNW is the adjusted profit after tax, as restated, divided by net worth as restated at the end of year/period.

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

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

Note:

Net worth is the sum total of the share capital, the reserves and the surplus

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

As on March 31, 2012 (Pre – Issue)	₹ 33.41
Issue Price	[●]
Post Issue	[●]

Note:

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

(ii) NAV is the net worth as restated divided by Equity Shares at the end of the specified period, if any.

6. Comparison of Accounting Ratios with Industry Peers

We have chosen the companies which we believe are our peers. The comparison of Accounting Ratios with Industry Peers is as follows:

Name of the company	FV (₹)	EPS (₹) [#]	P/E Ratio	RoNW (%)	NAV/Share (₹)
Aqua Logistics	1	0.70	18.57	6.00	17.50
Arshiya International	2	8.00	19.60	4.90	87.50
Allcargo Logistics	2	11.60	11.40	13.70	83.60
Chartered Logistics	1	0.8	22.50	39.70	2.30
(Source: Capital Market Volume XXVII/04, April 16-29, 2012; Segment: Miscellaneous)					
Fast Train Cargo Ltd.*	10	9.12	[●]	25.07	33.41

* All comparisons are as per the Standalone Financials of the Issuer for the year ended March 31, 2012

[#] Trailing Twelve Months (TTM)

7. The face value of our equity shares is ₹ 10/- and the Issue Price is ₹ [●]

The BRLM believes that the Issue Price of ₹ [●] is justified in view of the above qualitative and quantitative factors. For further details, please see the section “Risk Factors” beginning on page no. xii of this Draft Red Herring Prospectus and the section “Financial Statements” including important profitability and return ratios, as set out in the Auditor’s Report stated on page no. 139 of this Draft Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Fast Train Cargo Limited,
Victoria House, Office No. 1A,
Victoria Mill Compound,
Lower Parel, Mumbai – 400 013.

Dear Sirs,

Subject: Statement of Possible Tax Benefits

We hereby certify that the enclosed annexure states the possible tax benefits available to Fast Train Cargo Limited (the “Company”) and to the Equity Shareholders of the Company under the provisions of the Income-tax Act, 1961 and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its Equity Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its Equity Shareholders to derive tax benefits is dependent upon fulfilling such conditions.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications arising out of their participation in the proposed Initial Public Offer of Equity Shares of the Company particularly in view of ever changing tax laws in India.

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

- a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been / would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the Income- Tax Act, 1961 and Wealth Tax Act, 1957 as of date.

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

For **Sandeep Rathi & Associates**
Chartered Accountants

Sandeep Rathi
Proprietor
Firm Registration No. 113728W
Membership No. 047377

Place: Mumbai
Date: April 20, 2012

STATEMENT OF TAX BENEFITS

The information provided below sets out the possible tax benefits available to the Company and the Equity Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

Levy of Income Tax

As per the provisions of the Income Tax Act, 1961 ("Act") taxation of a person is dependant on its tax residential status. The Indian tax year runs from April 1 to March 31.

In general, in the case of a person who is "resident" in India in a tax year, its global income is subject to tax in India. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India is subject to tax in India. In the instant case, the income from the Equity Shares of the Company would be considered to accrue or arise in India, and would be taxable in the hands of all persons irrespective of residential status. However, relief may be available under applicable Double Taxation Avoidance Agreement ("DTAA") to certain non-residents.

An individual is considered to be a resident of India during any financial year if he or she is in India in that year for:

- A period or periods amounting to 182 days or more; or
- 60 days or more if within the 4 preceding years, he/she has been in India for a period or periods amounting to 365 days or more; or
- 182 days or more, in the case of a citizen of India or a person of Indian origin living abroad who visits India; or
- 182 days or more, in the case of a citizen of India who leaves India for the purposes of employment outside India in any previous year.

A **Hindu undivided Family (HUF)**, firm or other association of persons (AOP) is resident in India except where the control and management of its affairs is situated wholly outside India.

A "**company**" is "resident" in India if it is formed and registered in accordance with the Indian Companies Act or if the control and management of its affairs is situated wholly in India in a tax year.

A "**firm**" or "association of persons" is resident in India except where the control and management of its affairs is situated wholly outside India.

A "**Non-Resident**" means a person who is not a resident in India.

A person is said to be **not ordinarily resident** in India in any previous year if such person is:

- a non-resident in India in 9 out of the 10 previous years preceding that year, or has during the 7 previous years preceding that year been in India for a period of, or periods amounting in all to, 729 or less; or
- a Hindu undivided family whose manager has been a non-resident in India in 9 out of the 10 previous years preceding that year, or has during the 7 previous years preceding that year been in India for a period of, or periods amounting in all to, 729 or less.

As per the taxation laws in force, the tax benefits / consequences, as applicable, to Fast Train Cargo Limited and its Equity Shareholders investing in the Equity Shares are summarized below:

1. BENEFITS AVAILABLE TO THE COMPANY - UNDER THE INCOME-TAX ACT, 1961 (the “Act”)

Special Tax Benefits

- 1.1 There are no special Tax benefits available to the company and the income chargeable under the head “Profit & Gains of Business or Profession” will be computed as per the provisions of the Income Tax Act, 1961.
- 1.2 Deduction under the Act is allowed, while computing “book profit” as per Section 115JB of the Act, Minimum Alternate Tax (“MAT”) at 18.5 per cent (plus surcharge and education cess, as applicable) will be required to be paid by the Company on such profits, Surcharge is applicable at 5 per cent where taxable income of the Company exceeds ₹ 10,000,000. Education cess is payable at 3 per cent of tax and surcharge.

General Tax Benefits

1.3 Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, income by way of “dividends” received on the shares of any domestic company is exempt from income tax in the hands of shareholders. However, no deduction is permitted in respect of expenditure incurred in relation to income which is not chargeable to tax. The expenditure relating to “exempt income” need to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Income Tax Rules, 1962 (“Rules”).

However, the Company will be liable to pay Dividend Distribution Tax (“DDT”) at 16.223 per cent (tax rate of 15 per cent plus surcharge of 5 per cent and education cess of 3 per cent) on the total amount distributed as dividends. In calculating the amount of dividend on which DDT is payable, the same shall be reduced by dividend, if any, received by the Company during the FY, where:

- such dividend is received from subsidiary of the Company (A company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the company);
- such subsidiary has paid tax under this Section on such dividend; and
- the Company is not a subsidiary of any other company.

1.4 Under Section 10(35) of the Act, any income received in respect of the units of a Mutual Fund specified in Section 10(23D) of the Act; or units from the Administrator of the specified undertaking; or units from the specified company, as defined in Explanation to Section 10(35) of the Act, is exempt from tax.

1.5 Under Section 32(1) of the Act, the Company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures, etc and intangible assets defined to include patent, trademark, copyright, know-how, licenses, franchises or any other business or commercial rights of similar nature, if such intangible assets are acquired after 31st March 1998.

1.6 Under Section 32(2) of the Act, where full effect cannot be given to any depreciation allowance under Section 32(1) of the Act in any FY, owing to there being no profits or gains chargeable for that FY, or owing to the profits or gains chargeable being less than depreciation allowance, then, subject to the provisions of Section 72(2) of the Act, depreciation allowance or the part of depreciation allowance to which effect has not been given, as the case may be, shall be added to the amount of the depreciation allowance for the following FY and deemed to be part of that depreciation allowance, or if there is no such depreciation allowance for that FY, be deemed to be the depreciation allowance for that FY, and so on for the succeeding FYs.

1.7 Under Section 115JAA(2A) of the Act, tax credit shall be allowed in respect of MAT paid under Section 115JB of the Act for any FY commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT

credit shall not be available for set-off beyond 10 years immediately succeeding the year in which the MAT credit initially arose.

1.8 Capital Gains

- 1.8.1 Capital assets may be categorised into short-term capital assets and long-term capital assets, based on the period of holding. Shares in a company, listed securities or units or zero coupon bonds will be considered as long-term capital assets if they are held for a period exceeding 12 months.
- 1.8.2 Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of shares in the company or units of an equity oriented fund are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and Securities Transaction Tax ("STT") has been paid on the same. However, profits on transfer of above referred long term capital assets shall not be reduced in computing the "book profits" for the purposes of computation of MAT under Section 115 JB of the Act.
- 1.8.3 Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, second proviso to Section 48 of the Act permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, thereby adjusting the cost of acquisition / improvement by a cost inflation index, as prescribed.
- 1.8.4 Under Section 112 of the Act, long term capital gains, [other than those exempt under Section 10(38) of the Act] arising on transfer of listed equity shares in the company, would be subject to tax at a rate of 20 per cent (plus applicable surcharge and education cess) after indexation or 10 per cent (plus applicable surcharge and education cess) without indexation, whichever is lower.
- 1.8.5 Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the company would be exempt from tax if such capital gains is invested within 6 months after the date of such transfer in specified assets, being bonds issued by:
 - a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
 - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in such bonds during any financial year cannot exceed ₹ 5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

Since long term capital gains arising under Section 10(38) of the Act are not taxable, there is no requirement for making investment under Section 54EC of the Act in such cases.

- 1.8.6 Under Section 111A of the Act, short-term capital gains arising on transfer of equity share in the company would be taxable at 15 per cent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and STT has been paid on the same. Short-term capital gains arising from transfer of shares in the Company, other than those covered by Section 111A of the Act, would be subject to tax under the normal provisions of the Act
- 1.9 Under Section 72(1) of the Act, where for any FY, the net result of the computation under the head "Profits and Gains of Business or Profession" is a loss to the Company (not being a loss sustained in a speculation business), then to the extent to which such loss cannot be set off against income from any other head of income for the same year, it shall be eligible to be carried forward and available for set off only against income from business under head "Profits and Gains of Business or Profession" for subsequent years. As per Section 72(3) of the Act, the loss so carried forward can be set off subject to a limit of 8 FYs

immediately succeeding the FY for which the loss was first computed. However, as per Section 80 of the Act, only a loss which has been determined in pursuance of a return filed within the due date in accordance with the provisions of Section 139(3) of the Act shall be carried forward and set off under Section 72(1) of the Act.

2. BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS UNDER THE ACT

Special Tax Benefits

There are no special tax benefits available to the resident shareholders with regards to the investment made in the shares of the Company. However, the shareholders are entitled to the general tax benefits which are discussed herein below.

General Tax Benefits

2.1 Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, income by way of “dividends” received on the Equity Shares of the Company is exempt from income tax in the hands of shareholders. However, the Company will be liable to pay DDT at 16.60875 per cent (tax rate of 15 per cent plus surcharge of 7.5 per cent and education cess of 3 per cent) on the total amount distributed as dividends. As a result, no taxability arises in the hands of the shareholders in respect of dividends received from the Indian Company. No deduction is permitted in respect of expenditure incurred by any person in relation to income which is not chargeable to tax. The expenditure relatable to “exempt income” need to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

2.2 Capital gains

- 2.2.1 Capital assets may be categorized into short term capital assets and long term capital assets, based on the period of holding. Equity Shares held in the Company will be considered as long term capital assets if they are held for a period exceeding 12 months. Consequently, capital gains arising on sale of such assets held for more than 12 months are considered as "long term capital gains". Capital gains arising on sale of said assets held for 12 months or less are considered as "short term capital gains".
- 2.2.2 Section 48 of the Act, prescribes the mode of computation of capital gains, and provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, second proviso to Section 48 of the Act permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, thereby adjusting the cost of acquisition / improvement by a cost inflation index, as prescribed.
- 2.2.3 Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of Equity Shares in the Company or a unit of an equity oriented fund are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same. However, in case of shareholder being a company, profits on transfer of above referred long term capital asset shall not be reduced in computing the “book profits” for the purposes of computation of MAT under Section 115 JB of the Act.
- 2.2.4 Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of Equity Shares of the Company would be exempt from tax if such capital gains is invested in certain notified bonds within 6 months after the date of such transfer in specified assets, being bonds issued by:
 - a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
 - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in such bonds during any financial year cannot exceed ₹ 5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

Since long term capital gains arising under Section 10(38) of the Act are not taxable, there is no requirement for making investment under Section 54EC of the Act in such cases.

- 2.2.5 Under Section 54F of the Act and subject to the conditions specified therein, long-term capital gains other than those exempt from tax under Section 10(38) of the Act arising to an individual or a Hindu Undivided Family (“HUF”) on transfer of Equity Shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

Since long term capital gains arising under Section 10(38) of the Act are not taxable, there is no requirement for making investment under Section 54F of the Act in such cases.

- 2.2.6 Under Section 112 of the Act, long term capital gains, other than those exempt under Section 10(38) of the Act arising on transfer of listed Equity Shares in the Company, would be subject to tax at a rate of 20 per cent (plus applicable surcharge and education cess) after indexation or 10 per cent (plus applicable surcharge and education cess) without indexation, whichever is lower.
- 2.2.7 Under Section 111A of the Act, short-term capital gains arising on transfer of Equity Share in the Company would be taxable at 15 per cent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and STT has been paid on the same. Short-term capital gains arising from transfer of Equity Shares in the Company, other than those covered by Section 111A of the Act, would be subject to tax under the normal provisions of the Act.

2.3 Business Profits

- 2.3.1 Where the Equity Shares form part of stock-in-trade, any income realized from disposition of the equity shares will be chargeable under the head “Profits and gains of business or profession” as per the provisions of the Act.
- 2.3.2 Please note that the characterization of the gains/losses, arising from sale of Equity Shares, as capital gains or business income would depend on the nature of holding in the hands of the shareholder and various factors connected with the facts of the same.
- 2.3.3 As per Section 36(xv) of the Act, an amount equal to the STT paid by the assessee in respect of the taxable securities transactions entered into in the course of his business during the previous year will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head “Profits and gains of business or profession”.
- 2.4 Any Income received by any person for or on behalf of the New Pension System Trust established on 27/02/2008, under the Indian Trust Act, 1882 (2 of 1882) is exempt from tax and is also not subject to DDT.

3. BENEFITS AVAILABLE TO NON-RESIDENTS (OTHER THAN FOREIGN INSTITUTIONAL INVESTORS) UNDER THE ACT

Special Tax Benefits

There are no special tax benefits available to the non-resident shareholders with regards to the investment made in the shares of the Company. However, the shareholders are entitled to the general tax benefits which are discussed herein below.

General Tax Benefits**3.1 Dividends exempt under Section 10(34) of the Act**

Under Section 10(34) of the Act, income by way of “dividends” received on the Equity Shares of the Company is exempt from income tax in the hands of shareholders. However, the Company will be liable to pay DDT at 16.223 per cent (tax rate of 15 per cent plus surcharge of 5 per cent and education cess of 3 per cent) on the total amount distributed as dividends. As a result, no taxability arises in the hands of the shareholders in respect of dividends received from the Indian Company. No deduction is permitted in respect of expenditure incurred by any person in relation to income which is not chargeable to tax. The expenditure relating to “exempt income” need to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

3.2 Capital gains

3.2.1 Capital assets may be categorized into short term capital assets and long term capital assets, based on the period of holding. Equity Shares held in the Company will be considered as long term capital assets if they are held for a period exceeding 12 months. Consequently, capital gains arising on sale of such assets held for more than 12 months are considered as "long term capital gains". Capital gains arising on sale of said assets held for 12 months or less are considered as "short term capital gains".

3.2.2 Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of Equity Shares in the Company are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same. However, in case of shareholder being a company, profits on transfer of above referred long term capital asset shall not be reduced in computing the “book profits” for the purposes of computation of MAT under Section 115 JB of the Act.

3.2.3 Under the first proviso to Section 48 of the Act, in computing the capital gains arising from transfer of Equity Shares of the Company acquired in convertible foreign exchange, protection is provided to a non resident shareholder from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/ loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized in the purchase of the Equity Shares.

Under Section 112 of the Act, long term capital gains, [other than those exempt under Section 10(38) of the Act] arising on transfer of listed Equity Shares in the Company, would be subject to tax at a rate of 20 per cent (plus applicable surcharge and education cess) after indexation or 10 per cent (plus applicable surcharge and education cess) without indexation, whichever is lower. However, there are divergent views given by the Indian judicial authorities in this regard.

3.2.4 Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of Equity Shares of the Company would be exempt from tax if such capital gains is invested within 6 months after the date of such transfer in specified assets, being bonds issued by (to the extent permitted under prevalent laws):

- a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
- b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in such bonds during any financial year cannot exceed ₹ 5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years from the

date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

Since long term capital gains arising under Section 10(38) of the Act are not taxable, there is no requirement for making investment under Section 54EC of the Act in such cases.

- 3.2.5 Under Section 54F of the Act and subject to the conditions specified therein, long-term capital gains [other than those exempt from tax under Section 10(38) of the Act] arising to an individual or a HUF on transfer of Equity Shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

Since long term capital gains arising under Section 10(38) of the Act are not taxable, there is no requirement for making investment under Section 54F of the Act in such cases.

- 3.2.6 Under Section 111A of the Act, short-term capital gains arising on transfer of Equity Share in the Company would be taxable at 15 per cent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and STT has been paid on the same. Short-term capital gains arising from transfer of Equity Shares in the Company, other than those covered by Section 111A of the Act, would be subject to tax under the normal provisions of the Act

3.3 Business Profits

- 3.3.1 Where the Equity Shares form part of stock-in-trade, any income realized from disposition of the equity shares will be chargeable under the head “Profit and gains of business or profession” as per the provisions of the Act.
- 3.3.2 Please note that the characterization of the gains/losses, arising from sale of Equity Shares, as capital gains or business income would depend on the nature of holding in the hands of the shareholder and various factors connected with the facts of the same.
- 3.3.3 As per Section 36(xv) of the Act, an amount equal to the STT paid by the assessee in respect of the taxable securities transactions entered into in the course of his business during the previous year will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head “Profits and gains of business or profession”.
- 3.4 As per Section 90(2) of the Act, provisions of the DTAA between India and the country of residence of the non resident would prevail over the provisions of the Act, to the extent they are more beneficial to the non-resident.

3.5 Special benefit available to Non-resident Indian Shareholders

Where Equity Shares of the Company have been subscribed by Non-Resident Indians (“NRI”) i.e. an individual being a citizen of India or person of Indian origin who is not a resident, in convertible foreign exchange, they have the option of being governed by the provisions of Chapter XIIA of the Act, which inter alia entitles them to the following benefits:

- 3.5.1 Under Section 115E of the Act, where the total income of a NRI includes capital gains arising from the transfer of long term capital asset, being Equity Shares in the Company subscribed in convertible foreign exchange, such capital gains shall be taxed at a concessional rate of 10 per cent (plus applicable surcharge and education cess). The benefit of indexation of cost would not be available.
- 3.5.2 Under provisions of Section 115F of the Act, any long term capital gains arising from the transfer of a foreign exchange asset arising to a NRI shall be exempt from tax if the entire net consideration is reinvested in specified assets within six months of the date of the transfer. If only a part of the net consideration is reinvested, the exemption shall be proportionately reduced. The amount so

exempted shall be chargeable to tax as “capital gains” subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition. The taxability shall arise in the year in which the transfer or conversion, as the case may be, takes place.

- 3.5.3 Under the provisions of Section 115G of the Act, NRI's are not required to file a return of income under Section 139(1) of the Act, if the income chargeable under the Act consists of only investment income or capital gains arising from the transfer of specified long term capital asset or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and provided tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the Act.

4. BENEFITS AVAILABLE TO A FOREIGN INSTITUTIONAL INVESTOR (“FII”) UNDER THE ACT

Special Tax Benefits

There are no special tax benefits available to the FII with regards to the investment made in the shares of the Company. However, the shareholders are entitled to the general tax benefits which are discussed herein below.

General Tax Benefits

4.1 Dividends exempt under Section 10(34)

Under Section 10(34) of the Act, income by way of “dividends” received on the Equity Shares of the Company is exempt from income tax in the hands of shareholders. However, the Company will be liable to pay DDT at 16.223 per cent (tax rate of 15 per cent plus surcharge of 5 per cent and education cess of 3 per cent) on the total amount distributed as dividends. As a result, no taxability arises in the hands of the shareholders in respect of dividends received from the Indian Company. No deduction is permitted in respect of expenditure incurred by any person in relation to income which is not chargeable to tax. The expenditure relating to “exempt income” need to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

4.2 Capital gains

- 4.2.1 Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of Equity Shares in the Company are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same. However, in case of companies, long term capital gain so earned may be required to be taken into account in computing the book profit for the purpose of computation of MAT under Section 115JB of the Act.
- 4.2.2 Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of Equity Shares of the Company would be exempt from tax if such capital gains is invested within 6 months after the date of such transfer in specified assets, being bonds issued by (to the extent permitted under prevalent laws):
- National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
 - Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in such bonds during any financial year cannot exceed ₹ 5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

Since long term capital gains arising under Section 10(38) of the Act are not taxable, there is no requirement for making investment under Section 54EC of the Act in such cases.

- 4.2.3 Under Section 115AD(1)(ii) of the Act, short term capital gains on transfer of Equity Shares shall be chargeable at 30 per cent or 15 per cent (where such transaction of sale is entered on a recognized stock exchange in India and STT has been paid on the same), as the case may be. The above rates are to be increased by applicable surcharge and education cess.
- Under Section 115AD(1)(iii) of the Act, long term capital gains arising from the transfer of Equity Shares (in cases not covered under Section 10(38) of the Act) of a Company shall be taxable at 10 per cent (plus applicable surcharge and education cess). It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.

However, where the Equity Shares form a part of stock-in-trade, any income realised in the disposition of such Equity Shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the Equity Shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc. If the income realised from the disposition of Equity Shares is chargeable to tax in India as business income, FIIs could claim deduction under Section 36(xv) of the Act with respect to STT paid on purchase/sale of Equity Shares while computing taxable income. Business profits may be subject to tax at the rate of 30 per cent / 40 per cent (depending on the type of FII) plus applicable surcharge and education cess.

- 4.2.4 As per Section 90(2) of the Act, provisions of the DTAA between India and the country of residence of the FII would prevail over the provisions of the Act to the extent they are more beneficial to the FII. Where FII treat the income realized from disposition of Equity Shares as business profits and it does not have permanent establishment in India, such income of FII may not be subject to tax in India.

4.3 Tax Deduction At Source

Generally, in case of non residents, tax, (including surcharge and education cess) on the capital gains, if any, is withheld at source by the buyer in accordance with the relevant provisions of the Act. However, no deduction of tax is required to be made from any income by way of capital gains arising from the transfer of securities (referred to in Section 115AD of the Act) payable to FIIs

5. BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

As per the provisions of Section 10(23D) of the Act, Mutual Funds registered under the Securities and Exchange Board of India or Mutual Funds set up by Public Sector Banks or Public Financial Institutions or authorized by the Reserve Bank of India and subject to the conditions specified therein, would be eligible for exemption from income tax on their income.

6. SECURITIES TRANSACTION TAX ('STT')

All transactions entered into on a recognised stock exchange in India will be subject to STT levied on the transaction value at applicable rates. In case of purchase / sale of Equity Shares settled by way of actual delivery or transfer of the Equity Shares, STT will be levied at 0.125 per cent on both the buyer and seller of the Equity Shares. For sale of Equity Shares settled otherwise than by way of actual delivery or transfer of the Equity Share, STT will be levied at 0.025 per cent on the seller of the Equity Share. The STT can be claimed as deduction while computing taxable business income as per the provisions of the Act, provided the gains on the transactions are offered to tax as business income and not as capital gains.

7. CAPITAL LOSS

In general terms, loss arising from transfer of a capital asset in India can only be set off against capital gains. Long term capital loss arising on sale of Equity Shares not subjected to STT during a year is allowed to be set-off only against long term capital gains. A short term capital loss can be set off against capital gains whether short term or long term. To the extent that the loss is not absorbed in the year of transfer, it may be carried forward for a period of 8 years immediately succeeding the year for which the loss was first determined and may

be set off against the capital gains assessable for such subsequent years. In order to set off a capital loss as above, the investor (resident/ non resident) is required to file appropriate and timely returns in India.

8. DTAA BENEFITS

An investor has an option to be governed by the provisions of the Act or the provisions of DTAA that India has entered into with the country of residence of the investor, whichever is more beneficial.

9. IMPLICATIONS OF GIFT UNDER THE ACT

9.1 As per Section 56(2)(vii) of the Act, any property (including Equity Shares of the Company) which in the nature of capital asset of the recipient, other than immovable property is received by an individual/ HUF:

- a) without consideration, where the aggregate fair market value of such property exceeds ₹ 50,000, then such aggregate fair market value; or
- b) for a consideration which is less than the aggregate fair market value of such property by more than ₹ 50,000, then such difference between the fair market value and the actual consideration paid would be taxable as income from other sources. However, this is not applicable where shares are received from certain specific persons (such as relatives etc.) and/ or in specified circumstances (on occasion of marriage etc.) as mentioned in Section 56(2)(vii) of the Act.

10. BENEFITS AVAILABLE UNDER THE WEALTH-TAX ACT, 1957

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

11. 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.

NOTES:

- The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;
- The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws (i.e. Act as amended by the Finance Act 2010 and 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 tax laws;
- This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her/ its own tax consultant with respect to the specific tax implications arising out of their participation in the issue;
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country in which the non resident has fiscal domicile; and
- The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders

Please note that we have not considered the provisions of Direct Taxes Code Bill 2010 for the purpose of this Statement.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The “Industry Overview” section quotes and otherwise includes information extracted from a report dated as of January 10, 2012 prepared by CARE research, or the CARE Report, that was commissioned by us for the purposes of this Draft Red Herring Prospectus, which has not been independently verified by our Company, the BRLM and their respective legal or financial advisors, and no representations is made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources. We have not commissioned any report for the purposes of this Draft Red Herring Prospectus other than the CARE Report. Except for the CARE Report, market and industry related data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness, underlying assumptions and reliability cannot be assured. Accordingly, investment decisions shall not be based on such information.

OVERVIEW OF GLOBAL AND INDIAN ECONOMY

The Global economy went through turmoil in 2008-2009, caused by subprime crisis that originated in the U.S., but gradually spread across the financial institutions in other parts of North America and Europe. Almost all the major economies took calibrated steps in providing stimulus through easing of monetary policy and quantitative easing. Till now the world economy is suffering from the convergence of various adverse developments. The recovery in advanced economies has been slower and faltering than expected. There is increasing fiscal and financial uncertainty among countries, especially pronounced since August’ 11. In addition, the disruptions resulting from the earthquake and tsunami in Japan, as well political unrest in the Middle East and North African region and the related surge in oil prices have prompted a rather bleak outlook on global economic growth.

World Economic Outlook projections indicate that global growth will moderate to about 4% through 2012, from over 5% in 2010. Real GDP in the advanced economies is anticipated to expand at a lacklustre pace of about 1.5% in 2011 and 2% in 2012. However, this is based on the assumption that the European policymakers are able to contain the crisis in the Euro zone and that the U.S. policymakers are able to strike a cautious balance between support for the economy and medium-term fiscal consolidation and also that volatility in global financial markets does not escalate.

Euro-zone concerns

Summarizing the developments in the Euro zone gives a fair idea of the intensity of the debt crisis amongst the 17 countries of this monetary union. Fears of a sovereign debt crisis in the Euro-zone emerged in late 2009, against a weakening of the banking system and insufficient bail-out by the concerned governments. Rising government deficits and debt levels intensified in May 2010, leading to the establishment of the European Financial Stability Facility (EFSF) with a rescue package of maximum of Euro 750 bn and up to Euro 250 bn from the IMF. Greece, Portugal and Ireland have been the three main countries to avail of this rescue package.

Rescue package for the Euro zone countries has provided some relief by avoiding immediate default on sovereign debt. However, since these 17 countries are closely linked there is a contagion effect that is causing further uncertainties in the economies. Though an impending default has been averted, credit rating downgrades for these Euro-zone countries has been unavoidable. Recently, yields on Italian bonds soared as a sign that investors are fast losing faith in the European sovereign bond market.

Going forward, the major challenges for the Euro-zone countries include higher interest costs on sovereign debt which would constrain current and future capacities of the governments to raise and service debt.

US economy

The US economy continues to display some persistent macro-economic drags as suggested by leading indicators including low growth in industrial output, structural unemployment and poor housing starts. Reduction of public debt to pre-crisis levels would be a major challenge for the US. Latin American countries with strong real linkages with the US are additionally expected to face some tailwind pressure in external financing.

Emerging Economies

Emerging economies are projected to grow at 6.5% in 2011 on account of two kinds of pressures, namely, domestic structural concerns and macro-economic and financial spill-over from advanced countries in the form of commodity and petroleum prices.

The IMF notes that while domestic demand has been resilient in these economies, overheating pressures would be pertinent. In particular, China is expected to remain in the overheating zone in 2011, while India has registered some minor easing. Real credit growth in the Asia-Pacific region is projected to be around 9.6-9.7% until end-2012, lower than the credit growth of 16% that is historically seen to be consistent with a boom period. Inflation, that has been persistently high for most emerging economies, is pegged at 6.7% in 2012 (against 9.1% in 2011 and 9.8% in 2010) for India and at 3.3% in 2012 (as against 5.5% in 2011 and 6.2% in 2010) for China.

According to Centre for Monitoring Indian Economy (CMIE), India's per capita GDP (at constant prices) has grown from around ₹ 14,959 in 1991 at the time of liberalization to ₹ 46,492 for the fiscal year 2009-10. This increase in per capita income has created increasing wealth coupled with a growing middle-class and rising disposable incomes. This has had a significant investment multiplier effect on the economy leading to increasing consumerism and wealth creation thus positively impacting savings.

OVERVIEW OF LOGISTICS INDUSTRY

In any emerging economy transport and logistics services plays a crucial role in boosting economic growth, opening new market opportunities facilitating trade and improving overall competitiveness of the domestic industries. The definition of transport and logistics have evolved over a period of times and broadly covers different forms of transport like roads, railways, air and maritime, transport infrastructure like ports and airports, transport related construction like road construction and services auxiliary to different modes of transport like storage, ware house and cargo handling. Logistics can be defined as *“the process of planning, implementing, and controlling the efficient, cost-effective flow and storage of raw materials, in-process inventory, finished goods and related information from point of origin to point of consumption so as to meet customer requirements”*

Globally the logistics industry is valued at USD 3.5 trillion and the Indian logistics industry is presently estimated USD 90 billion (Source: Confederation of Indian Industry (CII)). The Indian logistics industry is highly fragmented and unorganized whereas organized sector forms only 6 per cent. Also, the Indian logistics spend as a percentage to GDP is higher at 13 per cent compared to some of the developed countries of the world, primarily due to infrastructural constraints. The transport and logistics sector in India has witnessed stupendous growth post the liberalisation period. The primary reason for the growth can be attributed to increase in trade, reforms in government policy, increased government spending on infrastructure and rise in domestic consumption. Over the years India has emerged as a manufacturing hub and growth for service sector like retail. The logistics sector employs approximate 45 million people and is growing at a stupendous rate. It is expected that the demand for transport and logistics will continue to grow as the Indian economy is on a high growth trajectory, the domestic market is unsaturated and the country needs investment in transport infrastructure.

However, owing to several roadblocks in the form of inadequate logistics infrastructure, inefficiency in operations due to the presence of multiple players, multiple tax structures etc., the spend on logistics in India remains higher averaging 12-13% of the country's GDP as against 7-9% of the GDP of other developed nations of the world. The following table sets the FDI inflows in the transport and logistics sector in India.

Table: Cumulative FDI Inflows in the Transport Sector: April 2000- April 2011

Sr. No	Sector	Amount of FDI Inflows (In Crore)	Amount of FDI Inflows (In USD Million)	% share in India's Total FDI Inflows
1	Construction Activities	42,160	9,490.96	7.14
2	Automobile Industry	28,036	6,198.93	4.67
3	Ports	6,717.36	1,635.08	1.23
4	Sea Transport	4,859.16	1,072.05	0.81
5	Air Transport	1,663.29	373.06	0.28
6	Earth moving machinery	591.89	138.03	0.10
7	Railways related components	614.88	137.57	0.10

(Source: http://dipp.nic.in/fdi_statistics/india_FDI_April2011.pdf DIPP – Department of Industrial Policy and Promotion)

INDUSTRY STRUCTURE

The logistics industry can be broadly classified into three segments –

1. Transportation
2. Warehousing
3. Value added services

Transportation can take place through any surface be it roads, railways, by air or water depending upon the need and the cost. For domestic transportation, road transport is the dominant mode of transport accounting for over two-third of the contribution of the transport sector to the GDP. Around 90 per cent of India's international trade is through maritime transport, most of the remainder is through air transport, and less than one per cent is through roads and railways with neighbouring South Asian Association for Regional Cooperation (SAARC) countries like Bangladesh, Nepal, Bhutan and Pakistan with whom India shares land borders.

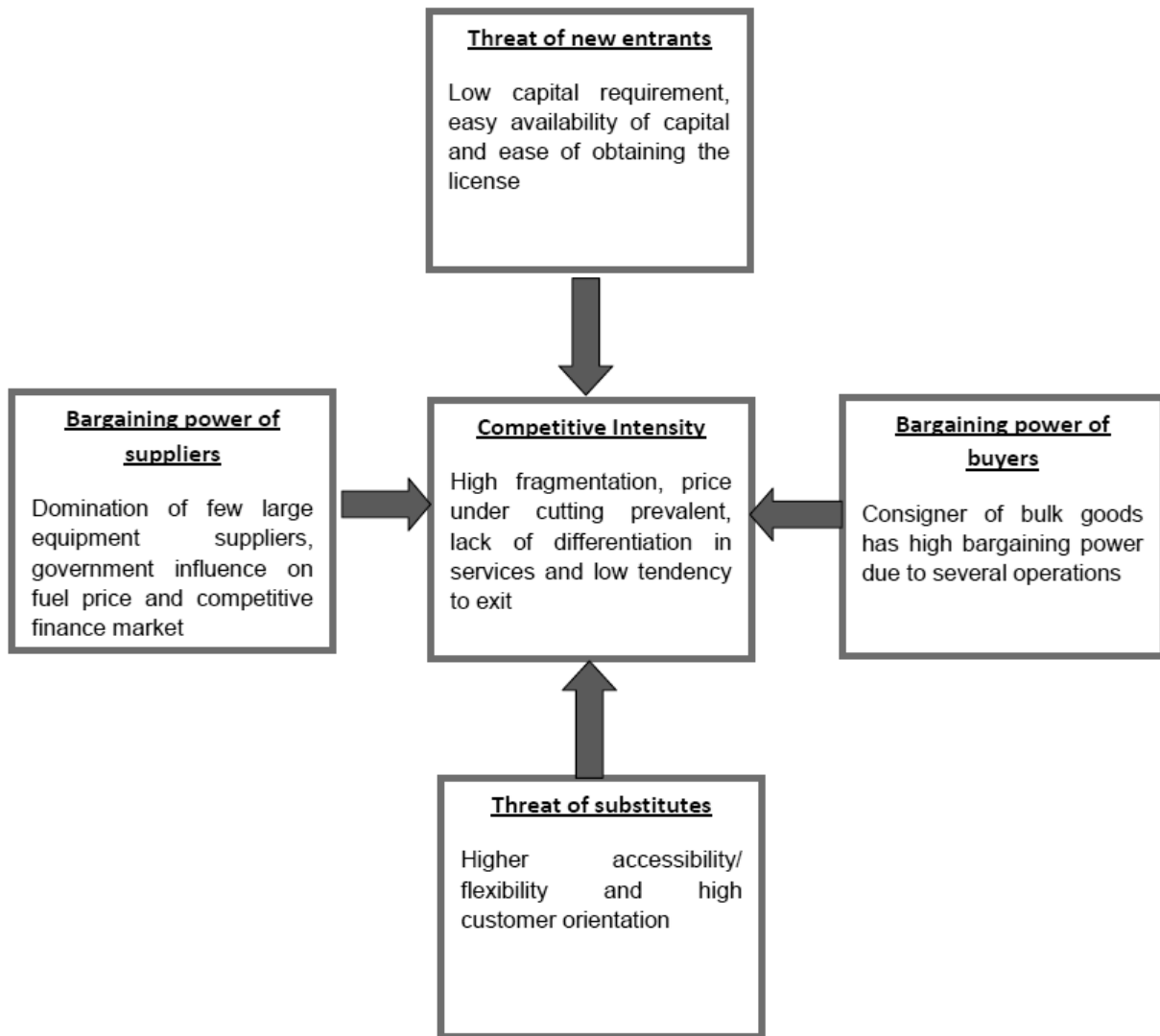
Table: Logistics Sector spending in last three plans

Sector (₹ in Billions)	Ninth Plan 1997-02		Tenth Plan 2002-07		Eleventh Plan 2007-12
	Outlay	Expenditure	Outlay	Expenditure	Outlay
Railways	495.9	464.1	606.0	820.2	2179.80
Roads	88.6	156.7	594.9	485.9	1066.60
Road Transport	74.2	59.7	91.1	57.2	11.3
Shipping	94.3	48.4	54.2	28.9	353.6
Inland water Transport	4.1	2.0	9.0	23.8	6.2
Light Houses	1.2	0.6	1.9	0.9	1.5
Civil air transport	111.1	66.0	129.3	77.9	435.6
Total	869.4	797.5	1486.4	1494.8	4072.6

(Source: Planning Commission of India)

The following exhibit provides the Michael Porters five force model that applies to logistics industry.

Exhibit: Michael Porters Five Force Model



(Source: CARE Research)

TRANSPORTATION

1. Roadways

Road is dominant mode of transportation in India. India has an extensive network 3.32 million kms, which is the second largest road network in the world of which national highways connecting key cities and towns constitute 70,934 kms. However, it lags behind other countries in terms of quality of road network. Nevertheless, The Government of India (GOI) has made huge investments to upgrade the quality of road networks in the country. It has announced several policy changes such as 100 per cent FDI for roads sectors, model concession agreements and standardization for bidding to encourage private investment in the sector. Despite such initiatives, the road sector faces challenges like land acquisition, financial closures and lack of co-ordination between government agencies which eventually leads to delay in implementation of projects.

Table: Roadways Network

	in Km	% of Total
Expressways	200	0.01%
National Highways	70,934	2.1%
State Highways	1,31,899	3.9%
Major District Roads	4,67,763	14.0%
Rural and Other Roads	26,50,000	79.8%
Total	33,20,796	100.0%

(Source: National Highway Authority of India (NHAI))

In order to achieve the objective GOI has charted out National Highway Development Project (NHDP) which is being implemented by National Highways Authority of India (NHAI) which is already under advanced stage of implementation.

Key projects under NHDP:

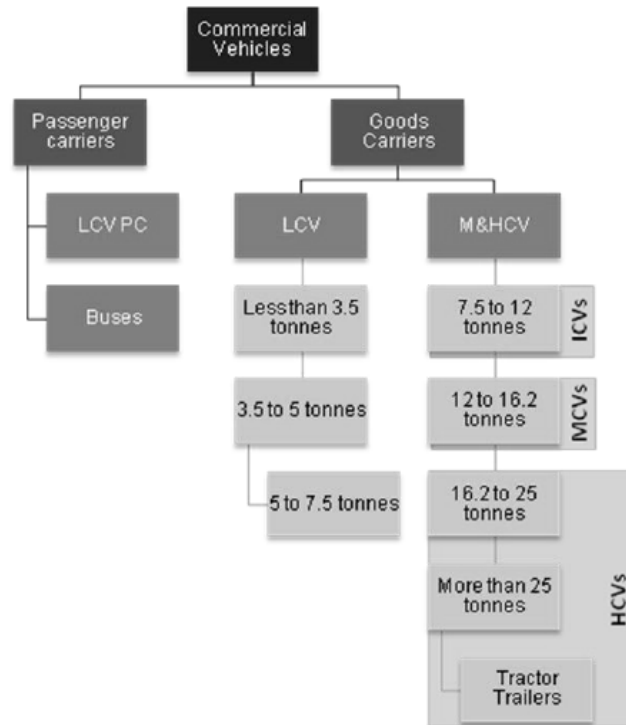
- Four-lane highway of the Golden Quadrilateral and NS-EW Corridors (NHDP I and II)
- Four-lane highway of 12,109 kms (NHDP-III)
- Two lane of 20,000 km (NHDP-IV)
- Six-lane of 6,500 kms (NHDP-V)
- Development of 1000 km of expressways (NHDP-VI)

Table: Status of NHDP and other projects as on 30/09/2011

	in Km
Total Length	50,024
Already 4-lane	16,207
Under Implementation	11,818
Balance length for award	21,841

(Source: NHAI)

The road freight transportation services industry is large, fragmented and highly competitive. It broadly consists of players who provide transportation services, intermediaries (such as, transport contractors and booking agents) who offer haulage services, brokers supplying equipment, drivers who work for a commission and finally the consignors or end-users constituting the ultimate demand for the services.

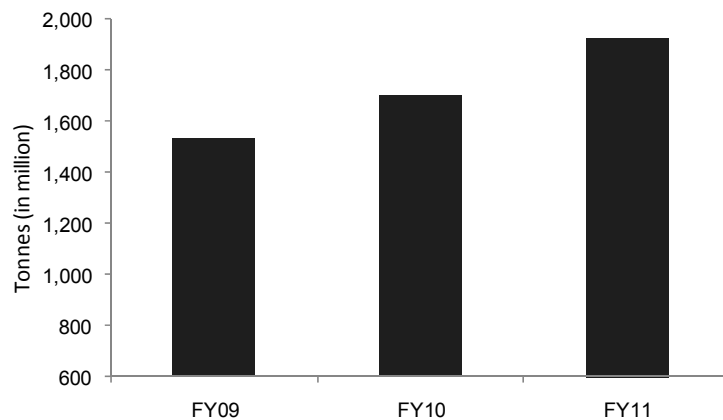
Exhibit: Structure of Commercial Vehicle Industry

(Source: CARE Research)

Current Freight Movement in Roadways

Extensive network and door to door connection have made road ways as primary mode of freight transport for carriage of freight since the last two decades. In haulage terms road freight transport can be broadly divided into two parts - primary transportation which comprises of intercity traffic having distance of above 50 km and secondary distribution which is also known as last mile distribution with a travel distance of less than 50 km. The road freight movement has been growing at a CAGR of 10-11% over last three years. The following table sets forth the freight movement observed in last three years in road freight movement.

Chart: Estimated Freight Movement in Roadways for last three years



(Source: CARE Research)

The Indian freight industry is mature, deregulated and highly fragmented with low entry barriers and is dominated by small regional operators. The freight industry is very sensitive to issues like fuel price hikes,

interest rates, seasonal fluctuations, etc. The following table sets forth the freight rate between metro and major cities in India as on September 2011.

Table: Truck freight rates between metro and major cities (₹ per tonne for 16 tonne truck) as on September 2011

City	Chennai	Delhi	Mumbai	Kolkata
Ahmedabad	2,438	1,100	1,200	2,300
Bangalore	900	3,335	1,950	2,250
Bhopal	2375	1266	1600	1950
Bhubaneshwar	2250	3250	3550	1050
Chandigarh	3,813	700	2,750	2,150
Chennai	-	3,500	2,600	2,100
Coimbatore	1,063	4,200	2,550	2,900
Cuttack	2,250	3,200	3,500	1,050
Delhi	3,375	-	2,600	1,850
Greater Bombay	2,188	1,900	-	1,900
Guwahati	5,125	3,900	6,100	1,800
Hyderabad	1,125	2,900	1,400	2,650
Jaipur	3,063	500	1,950	2,400
Jalandhar	4,200	900	2,850	2,350
Jamshedpur	2,750	2,600	4,000	800
Kanpur	3,533	1,050	3,100	1,500
Kochi	1,600	4,750	2,750	3,350
Kolkata	2,875	2,500	4,100	-
Lucknow	3,533	1,150	3,000	1,600
Madurai	1,063	4,300	2,800	2,900
Nagpur	1,812	2,000	1,800	1,700
Patna	3,563	2,300	4,100	1,200
Pune	1,938	2,200	700	2,500
Siliguri	3,687	2,900	5,100	1,250
Vijayawada	800	3,100	1,850	1,850
Visakhapatnam	1,500	3,500	2,100	1,550

(Source: Centre of Monitoring Indian Economy (CMIE))

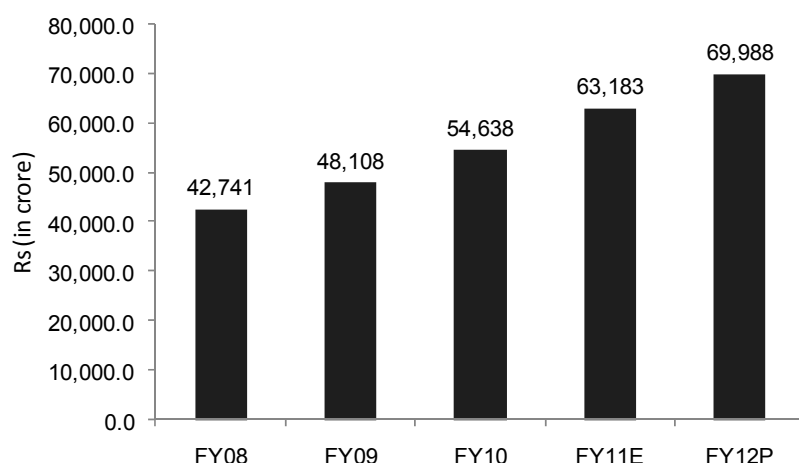
Upcoming Investments in Roadways

Government of India has recently rolled out plan to invest US\$ 120 billion in next five years (2012-17) for the widening of highways as barely 23 per cent of highways are four/six lane. The Government expects majority of this investment to come from foreign investors and from the private sector in order to overcome highways deficit in the country. As on August 2011, out of 214 projects under implementation with National Highways Authority of India (NHAI), 40 were being implemented with participation from foreign firms.

Table: Status of NHDP (as at the end of August 2011)

NHDP projects	Total length (Km)	Already completed (Km)	Under implementation (Km)	Balance for award (Km)
GQ	5,846	5,828	18	0
NSEW	7,300	5,810	1,070	420
Phase III	12,109	2,555	6,174	3,380
Phase IV	14,799	0	1222	13,577
Phase V	6,500	652	1,985	3,863
Phase VI	1,000	0	0	1,000
Phase VII	700	0	41	659
SARDP-NE	388	0	112	276
Total	48,642	14,845	10,622	23,175

(Source: NHAI)

Chart: Investment in the road sector - Eleventh Five Year plan

(Source: Planning commission of India)

Phase-wise expected investment in the road sector

Phase	Balance length to be awarded (Kms)	Expected investment (₹ bn)
I & II	420	42
III	3,380	338
IV	13,577	679
V	3,863	386
VI	1,000	150
VII	659	132
SARDP-NE	276	28
Total	23,175	1,755

(Source: NHAI)

2. Railways

Indian Railways is the largest in Asia and is also the world's third largest railways network under single management. Indian Railways is also the fourth largest freight carrier amongst the world's railways and the largest carrier of passengers amongst the world's railway system. Indian Railways is spread all across the country covering a route of 63,500 Kms and runs around 14,400 trains on daily basis which includes both goods as well as passenger trains. Over the years, Indian Railways has witnessed tremendous growth and development in the quantum of traffic. Railways are one of the few sectors in India in which the government still has a monopoly. Railways Act as a backbone of India's transport infrastructure and contribute significantly to country's macroeconomic growth and global competitiveness. Railways transport more than 2 million tonnes of freight daily. The identification of Public Private Partnership (PPP) mode for the country's rail projects has been one of the key government initiatives with several projects being launched through this mode.

Table: Key information of Indian Railways

Total route coverage (Kms)	63,500
Number of locomotives (nos.)	7,900
Number of freight wagons (nos.)	222,400
Number of passenger coaches (nos.)	42,500
Number of persons employed (million)	1.6
Number of trains operated per day	14,400

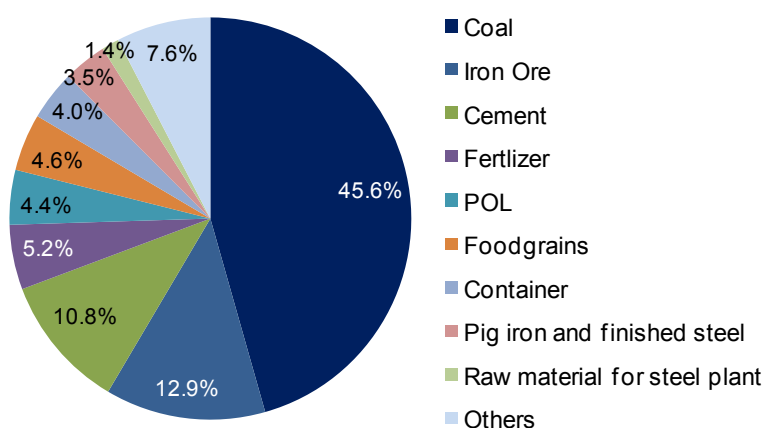
(Source: Railway budget document FY12 and CARE Research)

Significance of Indian Railways can be gauged by the fact that approximate 26 per cent of total freight traffic of the country moves by rail. For certain critical sectors such as coal, power, steel, cement and fertilizers, the share is much higher, and in some cases it is as high as 70 per cent. Considering the continental size of the country and the transport elasticity to GDP greater than unity it becomes necessary to grow the existing rail network to make railways an agent for inclusive economic growth and a significant contributor to the global competitiveness of the Indian economy. Capacity constraint is a major bottleneck for Indian railways.

Current Freight Movement in Railways

Since 1990s Indian railways has been the main service provider for essential eight commodities – coal, raw materials for steel plants, pig iron and finished steel from steel plants, iron ore for export, cement, food grains, fertilizer and petroleum oil lubricants. Over a period of time there has been significant change in the demand pattern and Indian railways has become bulk freight carrier with coal being the most important commodity.

Chart: Commodity share in freight traffic of Indian Railways (2010-11)



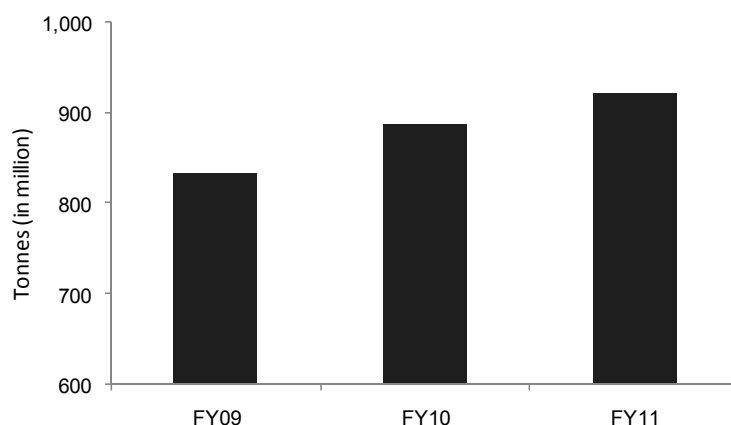
(Source: Ministry of Railways)

Table: Freight Rate for key essential commodities

Commodity	500 Km	1000 Km	1500 Km	2000 Km	2500 Km	3000 Km	3500 Km
	Freight Rate Per Tonne Effective From 27/12/2010 (in ₹)						
Cement	489.9	923.4	1,363.2	1,710.5	1,943.1	2,188.1	2,418.9
Chemical Manures	400.7	787.9	1,135.9	1,425.3	1,619.3	1,823.4	2,015.8
Coal and Coke	489.9	923.4	1,363.2	1,710.5	1,943.1	2,188.1	2,418.9
Foodgrains, Flours and Pulses	400.7	787.9	1,135.9	1,425.3	1,619.3	1,823.4	2,015.8
Iron or Steel	620.5	1,108.1	1,635.8	2,052.6	2,331.7	2,625.7	2,902.7
Mineral and Ores	522.2	985.0	1,454.1	1,824.5	2,072.6	2,333.9	2,580.2
Metal Scrap and Pig Iron	522.2	985.0	1,454.1	1,824.5	2,072.6	2,333.9	2,580.2
Petroleum Products and Gases	653.2	1,231.2	1,817.6	2,280.6	2,590.8	2,917.4	3,225.2

(Source: Ministry of Railways)

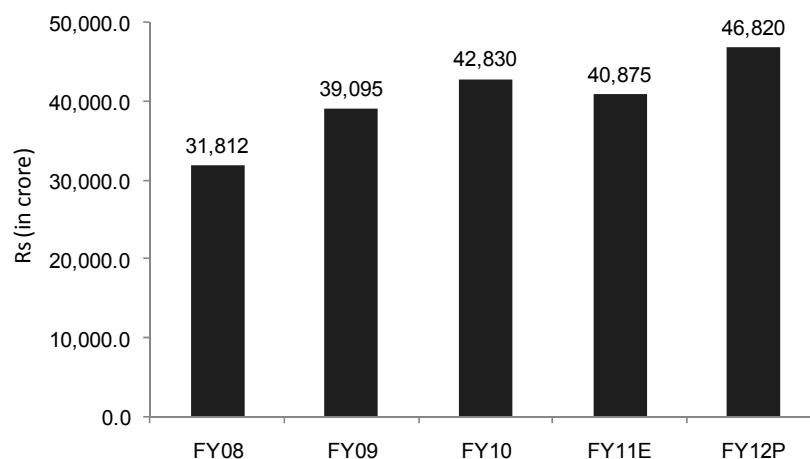
The railway freight movement has been growing at a CAGR of 5.2 per cent for last three years. The following table sets forth the freight movement observed in last three years

Chart: Freight Movement in Railways for last three years

(Source: Ministry of Railways)

Upcoming Investments in Railways

In the Midterm Appraisal of the Eleventh Five Year Plan, the planning commission has revised the investment target of rail sector to ₹ 200,802 crore, which is 23.3% lower than the earlier projection of ₹ 261,808 crore.

Chart: Investment in the Rail sector - Eleventh Five Year Plan

(Source: Planning Commission)

Under 'Vision 2020', Indian Railways has planned a total investment of about ₹ 14,000 billion till the end of 2020. The following table shows the bifurcation of the investment for Railways under Vision 2020:

Table: Bifurcation of the investment for Railway's Vision 2020

Particulars	Investment (in ₹ bn)
Capacity augmentation	4,180
Rolling stock	3,917
High-speed corridor	2,000
Technology upgradation and safety	1,255
Service improvement	956
Bottleneck removal	480
Others	1,089

(Source: Ministry of Railways)

3. Airports

Air transport is the fastest mode of transport for long distance passenger and high value cargo. India has emerged as one of the fastest growing aviation markets worldwide. This can be attributed to the liberalisation of government policies and entry of several airlines with diverse business models. However the country's airport infrastructure has not been able to achieve greater share in freight traffic and has not been able to generate higher revenues like its global counterparts. Currently, all airports in India are owned and operated by the Airports Authority of India (AAI). The Government aims to attract private investment in aviation infrastructure - Privatization of the Delhi and Mumbai airports is in progress – contracts have already been awarded. Several domestic (private) as well as international players are showing interest in the growth and development of the Indian airport sector given growth potential and expansion plans of the government.

Table: Passenger and Cargo Traffic

Passengers in Millions	FY07	FY08	FY09	FY10	FY11	CAGR (FY07-11)
Domestic passenger traffic	70.6	87.0	77.3	89.4	105.5	10.6%
International passenger traffic	25.8	29.8	31.6	34.4	37.9	10.1%
Total passenger traffic	96.4	116.9	108.9	123.8	143.4	10.4%
Total cargo traffic ('000 tonnes)	1,550.9	1,715.0	1,702.0	1,959.7	2,348.4	10.9%

(Source: CMIE)

Air cargo remains a vital mode of transport for India's international trade especially with products of high value or value addition. The five major airports (Mumbai, Delhi, Kolkata, Chennai and Bangalore) accounts for approximate 85 percent of the total air cargo handled in India. Growth in cargo / freight volumes is an outcome of macro-economic factors such as domestic consumption, exports and imports. The infrastructure required to cater to the growth remains a major challenge. However, the international and domestic cargo volumes have shown a steady growth despite inadequate capacity and infrastructure. Government's plans for developing MIHAN (The Multimodal International Hub Airport at Nagpur) as the first cargo hub in India are in progress. With the opening of the economy, buoyant trade, new low cost carriers, upgradation of the airports across the country, the cargo handled by air is expected to grow more rapidly in the next decade. This will require not only better connecting transportation infrastructure, but also quality, standard warehouses, and speedy operations through automation.

Freight Movement in Airways Sector

The freight movement for airways has been growing at a CAGR of 24 per cent for last three years (2009-11). It has increased 0.55 million tonnes to 0.85 million tonnes during the said period. The following table provides the break up for the last three years of the freight movements.

Table: Domestic Traffic (Freight Movements) at Top 46 Airports in India

Airport	FY09	FY10	FY11	FY12*
International Airports				
Chennai	52,806	71,246	93,336	21,604
Kolkata	49,127	70,168	84,861	20,421
Ahmedabad	12,739	11,018	15,060	3,437
Goa	3,289	3,460	4,247	848
Trivandrum	1,415	1,442	1,540	411
Calicut	363	368	282	64
Guwahati	1,642	5,276	8,520	2,244
Jaipur	2,142	5,763	8,177	1,763
Srinagar	1,501	1,815	2,016	664
Amritsar	376	329	161	27
Portblair	2,139	2,290	2,299	464
Total	127,539	173,175	220,499	51,947
6 JV International Airports				
Delhi (DIAL)	128,332	163,913	209,113	41,944
Mumbai (MIAL)	151,328	174,184	199,831	48,725

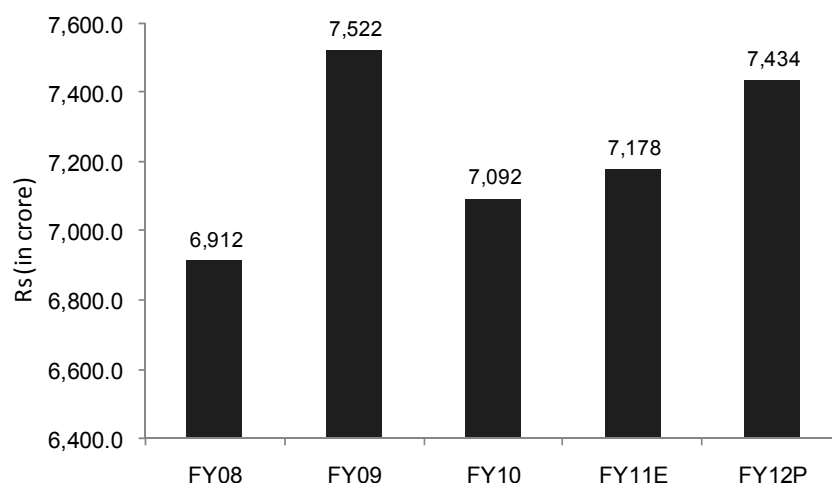
Bangalore (BIAL)	58,310	71,893	87,515	20,499
Hyderabad (GHIAL)	26,981	30,164	36,390	8,622
Cochin (CIAL)	5,935	7,857	8,610	2,207
Nagpur (MIPL)	3,678	4,717	9,145	1,154
Total	374,564	452,728	550,604	123,151
Custom Airports				
Pune	11,653	17,845	27,828	5,648
Lucknow	1,873	3,407	3,492	908
Coimbatore	4,616	6,285	6,637	1,820
Mangalore	311	382	305	66
Trichy	20	25	-	-
Patna	1,957	1,928	3,279	822
Bagdogra	636	869	1,114	302
Varanasi	315	363	422	83
Gaya	-	-	-	-
Total	21,381	31,104	43,077	9,649
20 Domestic Airports				
Bhubaneswar	1,287	1,998	2,667	621
Indore	4,952	5,301	5,380	1,083
Visakhapatnam	766	938	1,107	349
Jammu	1,094	1,157	1,371	243
Vadodara	2,198	1,745	2,099	492
Agartala	5,979	6,755	7,105	1,567
Chandigarh	413	219	549	270
Raipur	1,444	1,593	2,356	628
Imphal	3,864	4,719	6,002	1,338
Madurai	572	574	580	180
Udaipur	-	-	-	-
Ranchi	449	677	1,306	402
Bhopal	1,028	924	1,175	208
Leh	842	1,368	1,426	471
Aurangabad	963	1,247	1,841	347
Rajkot	666	635	933	161
Dibrugarh	299	331	322	84
Tirupati	27	23	13	10
Silchar	319	342	480	90
Juhu	412	383	311	89
Total	27,574	30,929	37,023	8,633
Other Airports	1,004	1,057	995	257

(Source: Airports Authority of India)

* Indicates from April – June 2011

Upcoming Investments in Airport Sector

In the Eleventh Five Year Plan, GoI had set a target of spending about ₹ 30,968 crore in aviation sector which has been revised upward to ₹ 36,138 crore in the Mid Term Appraisal Plan. Following chart shows yearly trend of investment in the airport sector

Chart: Investment in the Airport sector - Eleventh Five Year plan

(Source: Planning Commission)

Table: Expected investment in the airport sector

	Expected investment (₹ bn)
Greenfield / new projects	559
Modernisation / expansion projects	216
Total	775

(Source: CMIE)

4. Coastal Seaways

India is strategically located in the global shipping routes and has a long coastline which makes it an important maritime nation. Maritime transport caters to over 90 per cent of the country's trade in terms of volume and 70 per cent in terms of value. There are 12 major ports and 200 non major ports along India's 7,517 km coastline. Inland Water Transport (IWT) is a fuel efficient, environment friendly and cost effective mode of transport (especially for bulk goods, hazardous goods and over dimensional cargo) having potential to supplement the over burdened rail and congested roads. Development of IWT offers several distinct advantages. IWT routes are developed along existing rivers/ canals and do not require extensive land acquisition; the per km cost of development of waterways is about 5% to 10% of the cost of developing an equivalent four lane expressway or railway. Maintenance cost of inland waterways is around 20% of that of road ways. IWT, in most situations is the most economical, least energy consuming and least hazardous mode of transportation. However, the development of this mode has been grossly neglected for a long time and consequently the share of IWT stands at 0.4% (in terms of tonne-km).

(Source: Ministry of Shipping)

For inland waterways to become a commercially viable mode of transport, it is necessary that three basic infrastructural facilities are developed and maintained. These are: (i) depth and width required for movement of inland vessels for round the year operation; (ii) terminals for loading and un-loading of cargo; and (iii) navigation aids for safe navigation during day and night. The objective of development of inland waterways of the country is to increase the utilization of cargo to about 20 billion tonne km by 2020 from present level of about 4.0 billion tonne km in 2010.

(Source: Ministry of Shipping)

The Inland Waterways Authority of India (IWAI) was set up in 1986 for development and regulation of inland waterways. After formation of IWAI in October 1986, systematic and sustained efforts to develop IWT mode started. But during initial years (i.e. upto 8th Plan) IWAI could not be provided with significant funding. From 9th Plan onwards, funding pattern of IWAI somewhat improved. In the entire 8th plan the investment for IWT infrastructure was only of the order of ₹ 35 crore. This rose to ₹ 151 crore during the 9th plan and further to ₹

385 crore in 10th Plan. In first 3 years of 11th Plan IWAI has utilized ₹ 310 crore. However, the total investment made for its development since independence is still insignificant when compared to Road and Rail.

There are five National Waterways (NWs) namely (i) the Ganga from Haldia to Allahabad (NW-1, 1620 km), (ii) the Brahmaputra from Dhubri to Sadiya (NW-2, 891 km), (iii) the West Coast Canal from Kottapuram to Kollam along with Udyogmandal and Champakara canals (NW-3, 205 km), (iv) the Kakinada-Puducherry stretch of Canals with Godavari and Krishna rivers (NW-4, 1078 km) and (v) the East Coast Canal with Brahmani river and Mahanadi delta (NW-5, 588 km). These waterways were declared as NWs in 1986, 1988, 1993, 2008 and 2008 respectively. In addition, declaration of Barak river from Lakhimpur to Bhanga (121 km) as sixth NW is under consideration of the Ministry. IWAI is implementing projects for making National Waterways 1, 2 & 3 fully functional by March 2012.

Cargo movement by IWT sector has been showing increasing trend over the years. The freight traffic over in land waterways has increased from around 112 million tonnes in FY05 to around 140 million tonnes in FY10.

IWAI is not expected to generate substantial Internal Resources even till 2020. Hence the funding for all the above mentioned projects is considered through budgetary sources (BS) and private funding (EBR). The summary of Ongoing Schemes in respect of BS and EBR and New schemes is given below:

Table: Upcoming investments for IWT

₹ (in crore)	Budgetary Support	Internal Resources	Private Funding (EBR)	Total
Ongoing Projects	4,175	-	8,400	12,575
New Projects	6,630	-	11,505	18,135
Total	10,805	-	19,905	30,710

(Source: Ministry of Shipping)

WAREHOUSES

Warehouses have become one of the major segments of the rapidly growing Indian logistics industry. Today not only does it provide custody for goods but also offer value added services such as sorting, packing, blending and processing. With the evolution of an organized retail sector, modern warehouses for storage of perishable goods have become indispensable. Warehousing accounts for about 20 per cent of the Indian logistics industry. The organized warehousing segment is currently dominated by mainly 3 government agencies – Central Warehousing Corporation, Food Corporation of India and 17 state warehousing corporations. The warehousing industry being critical to the logistics operation is expected to grow on the backdrop of increasing need for the storage of both inbound and outbound cargo. The GoI's initiative to promote the growth of warehouses in the country through measures such as enactment of the Warehousing Act, 2007, investments in the establishment of logistic parks and Free trade warehouse zones (FTWZs) together with the proposed introduction of Goods and Service Tax (GST) regime by FY12 augurs well for the industry's growth. Sensing the tremendous growth potential of the warehouse sector, the private players (including both domestic and international) have ventured with a view to bridge the gap between cost and efficiency of operations

Table: Region wise capacity of major Indian warehouses (in tonnes)

Region	Food Corporation of India*	State Warehousing Corporation**	Centre Warehousing Corporation**
East	2476000	872000	1189000
North East	453000	296000	102000
North	18188000	11381000	302800
South	7040000	4054000	2666000
West	32269000	5097000	3187000
Total	60426000	21673000	10172000

(Source Annual Report- Department of Food & Public Distribution)

*FY12 figures up till September 2011

** As on Dec 2010

Upcoming Investments Warehousing

The Government of India in June, 2011 announced the addition of 15 million tonnes of storage capacity in the country with an investment of ₹ 70 bn by the next year-end. The gap in warehousing is still estimated at 32 million tonnes and the GOI wants the private sector to come forward to meet requirement of the country. The private sector presently constitutes only 15-17 per cent of the total warehousing capacity.

VALUE ADDED SERVICES

Apart from transportation and warehousing the logistics industry comprises other related services such as packaging, labelling, assembling, express services, tracking and tracing, cold chain and 3PL etc.

- **3PL:** 3PL services are a combination of all logistics activities - 3PL providers manage all the logistics functions of a company. 3PL could imply the use of transportation carrier, a warehouse, or a third party freight manager to perform all or part of a company's production distribution functions. Demand for integrated 3PL solution providers has grown dramatically over the last several years and they are increasingly becoming an effective way to reduce costs and spread risks for traditional, vertically integrated firms
- **4PL:** A 4 PL service provider is a supply chain integrator that assembles and manages resources, capabilities and technology of its own organization with those of complementary service provider to deliver comprehensive supply solutions. 4 PL function as knowledge partners and offer services such as freight negotiations with 3 PL's freight contract management, transport billing and continuous improvement programs.
- **Packaging:** Packaging is a coordinated system of preparing cargo for transport, warehousing, sale, and end use. Packaging mainly protects the goods from damage and spoilage. The growth of the packaging industry is closely linked to the growth of its major user industries. The major user industries such as retail industry including food and beverages, Pharma and auto components industries are expected to play a major catalyst role in driving the packaging industry
- **Cold Chain Logistics:** Cold chain logistics system may be defined as a series of inter-related facilities for maintaining ideal storage conditions for perishables from the point of origin to the point of consumption in the food supply chain. The chain starts at the farm level (e.g. harvest methods, post-harvest and pre-cooling) and continues till the consumer level or the retail level. A well organised cold chain reduces spoilage, retains the quality of the harvested products and guarantees a cost efficient delivery to the consumer.

DEMAND DRIVERS FOR TRANSPORTATION/ LOGISTICS INDUSTRY

- **Emergence of MNCs and organized retail:** One of the key demand drivers for the logistics industry has been the emergence of MNC's and the share of organized retail has been increasing over the years. Most of the global MNCs prefer low cost manufacturing locations connecting the consuming market at the lowest possible cost and through highly efficient supply chain.
- **Emergence of 3PL and 4PL:** Third party logistics or 3PL is a concept where a single logistics service provider manages the entire logistics function for a company. While the Indian 3PL market is still very much in its infancy compared to other countries, it is experiencing healthy growth and attracting new companies eager to capitalise on the plentiful opportunities it offers. In fourth party logistics 4PL, logistics is controlled by a service provider that does not own the assets to carry out logistics activities but outsources to subcontractors, the 3PL. 4PLs facilitate single-point reference for all logistics needs, possess knowledge of logistics to obtain most efficient and effective solutions, have manpower resources of higher quality to supervise vendors and ensure continuous process improvements and, above, all an IT base to network customer systems.
- **Robust Trade Growth:** Post liberalization there has been stupendous increase in economic growth which has led to massive improvement in the domestic and international trade volumes. Consequently the requirement for transportation, handling and warehousing is growing at a robust pace and is driving the demand for integrated logistics solutions.

- **Globalization of manufacturing systems:** Information Technology (IT) plays a key role in supporting transportation and logistics industry. Today technology is present in all the areas for a logistics service provider. Technology helps organised logistics companies score over the unorganised ones, and will be key to their operations going ahead given the competition
- **Increasing investment in logistics parks:** The concept of Logistics Parks has gained attention from both public as well as private players. A large number of special economic zones have also necessitated the development of logistics centre for the domestic market as well as for trade purposes
- **Significant government spending on Infrastructure:** The Indian government has earmarked over ₹ 14,000 billion of infrastructure investment in its 11th Five year plan. Around 27 per cent of this investment is allocated towards roads, rails, aviation and port projects

Table: FDI Policy in India: Transport and Logistics

Sector	FDI Policy
Road Transport	100 per cent FDI allowed through automatic route
Railways	Public sector monopoly; FDI is not allowed in passenger and freight transportation and pushing and towing services. It is allowed in maintenance and repair of rail transport equipment and supporting services and railway-related components, warehousing, and freight corridors.
Air Transport	<ul style="list-style-type: none"> ▪ 49 per cent FDI is allowed in domestic airlines through the automatic route, subject to no direct or indirect equity participation by foreign airlines. ▪ Foreign airlines are not allowed to participate directly/ indirectly in the equity of an Air Service Undertaking engaged in operating scheduled, non-scheduled and chartered airlines. ▪ FDI up to 74 per cent and investment by Non-Resident Indians (NRIs) up to 100 per cent is allowed in non-scheduled airlines, chartered and cargo airlines through the automatic route. Foreign airlines are allowed to participate in the equity of companies operating cargo airlines. ▪ FDI up to 74 per cent and investment by NRIs up to 100 per cent is allowed through the automatic route in ground handling services. ▪ 100 per cent FDI is allowed for maintenance and repair organisations. ▪ Helicopter services/seaplane services requiring Director General of Civil Aviation (DGCA) approval- FDI up to 100 per cent is allowed through the automatic route. ▪ FDI up to 74 per cent is permitted through automatic approvals in existing airports. ▪ FIPB approval is required for FDI beyond 74 per cent. 100 per cent FDI allowed for Greenfield projects.
Courier and express services (only for carrying packages, parcels and other items which do not come within the ambit of the Indian Post Office Act, 1898)	100 per cent FDI is allowed through the FIPB route subject to existing laws and exclusion of activity relating to distribution of letters, which is exclusively reserved for the state.
Services Auxiliary to all Modes of Transport	100 per cent FDI is allowed through the automatic route in cargo-handling services, storage and warehousing services and freight forwarding services

Source: http://dipp.nic.in/manual/FDI_Manual_text_Latest.pdf, Department of Industrial Policy and Promotion

KEY CHALLENGES FOR LOGISTICS INDUSTRY

Indian logistics industry faces multiple challenges ranging from poor infrastructure to stringent regulatory constraint. This has kept the industry highly fragmented with large number of unorganized providers. Some of key challenges by the Indian logistics industry are as follows:

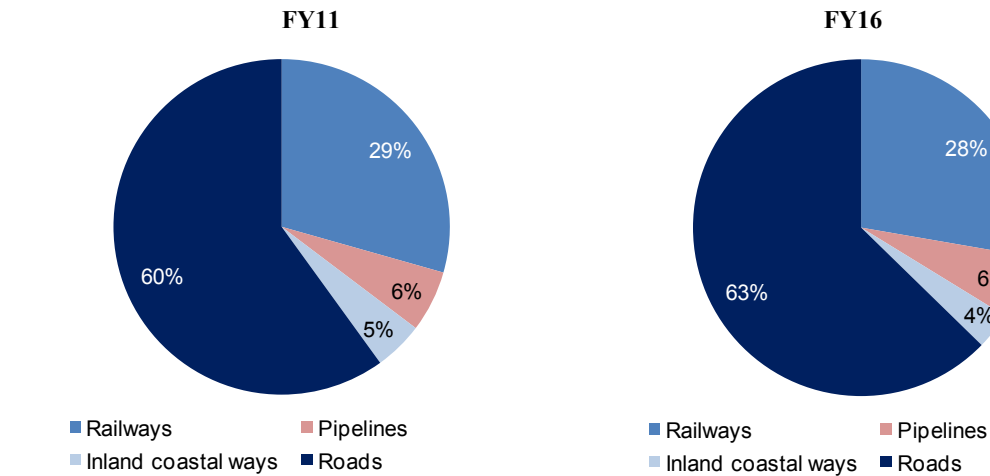
- **Land woes:** Newer entrants in logistics space are facing issues while acquiring land to set up CFS/ICD/FTWZ's which require large tracts of land near ports and business districts.
- **Infrastructure bottlenecks:** Growth in logistics sector remains hampered by lack of quality of infrastructure be it roads, railways or ports. Although the investment outlay on logistics related infrastructure has been on a rise, actual addition in capacity or improvement in quality of highways, railway terminals/ port capacity has been below targets.
- **Regulatory issues:** Different states follow different taxation policies, which make it difficult for logistics players to figure out these complicated structures. The lack of a regulatory body framing uniform policies, procedures and laws to ensure formation of a pan-India integrated logistics framework is also the cause of a number of disputes between private players and government authorities.
- **Longer gestation period:** The logistics sector has mostly been controlled by government-owned bodies as private players shied away from investing in the sector as there were no incentives for the high cost development of infrastructure. Due to the longer gestation period of investment and high costs in initial years, private players have not increased capacity at the required pace, thereby creating a demand-supply mismatch
- **Lack of IT infrastructure:** Low penetration of IT and lack of proper communications infrastructure also result in delays, and lack of visibility and real-time tracking ability. Unavailability and absence of a seamless flow of information among the constituents of LSPs creates a lot of uncertainty, unnecessary paperwork and delays, and lack of transparency in terms of cost structures and service delivery.

INDUSTRY FUTURE OUTLOOK

A) Multi modal share in freight movement

Healthy macro economic growth, increase in outputs from agriculture, industry and imports supported by strong rise in consumer spending have given significant boost to domestic freight movement during last one decade. CARE Research estimates, the domestic freight movement has increased from around 2,000 million tonnes in FY06 to around 3,140 million tonnes in FY11 (i.e. a CAGR of around 10 per cent). Going forward, although there are concerns over slow down in economic growth in short term period, these concerns would taper off in medium to long term period. CARE Research foresees, the movement in domestic freight would continue to remain healthy in long term and grow at a CAGR of 11-12 per cent to around 5,350 million tonnes.

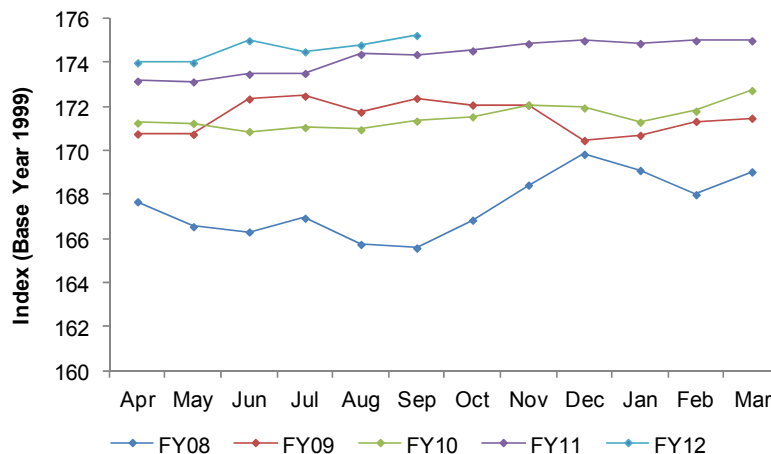
Advantage of door to door delivery and vast network spread across the remote corners of the country coupled with capacity constraints in other modes of transport has led roadways to dominate the domestic freight transport industry over last two decades. CARE Research estimates, currently the road sector forms around 60 per cent of overall freight movement in the country, followed by railways that constitute around 29 per cent. While pipelines and inland coastal ways which are either focussed on particular sets of commodities or have regional presence comprises of around 6 per cent and 5 per cent respectively. CARE Research foresees, roadways would continue to witness rise in its share to around 63 per cent by FY16 in domestic freight movement in tonnage terms. On the other hand, the share of railways is expected to drop to around 28 per cent, owing to slow implementation of projects and capacity constraints. Pipeline and inland coastal ways would continue to form small share of around 6 per cent and 4 per cent respectively.

Chart: Estimated modal share in domestic freight movement

(Source: CARE Research)

B) Freight rates

The domestic freight rates are determined by combination of factors such as fuel prices, freight movement, demand and supply of commercial vehicles, regulatory scenario, competition from other modes of transport, investments in transport infrastructure, technological evolution in commercial vehicles, etc. It has been observed that post economic turmoil of FY08 and FY09, the freight rates have grown in the range of around 1.5 - 2 per cent over last two fiscals i.e. FY10 and FY11. CARE Research foresees, going forward freight rates is expected to soften on the back of fresh concerns over slowdown in economic growth and consequently the freight movement in near term (i.e. around 1 to 1^{1/2} years) and may recover steadily thereafter.

Chart: Trend in road freight rate index

(Source: Transport Corporation of India (TCI))

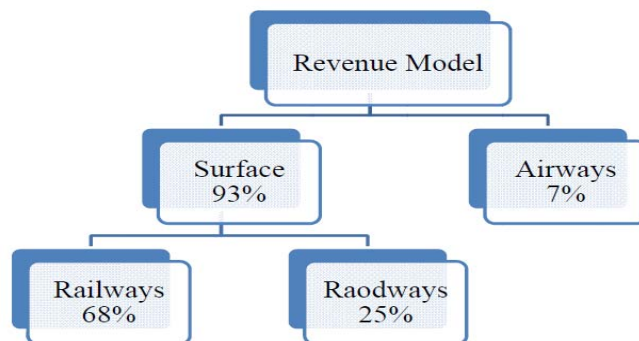
OUR BUSINESS

Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP set forth elsewhere in this Draft Red Herring Prospectus. In this section only, any reference to “we”, “us” or “our” refers to Fast Train Cargo Limited.

OVERVIEW

Our Company, Fast Train Cargo Limited is entering into Third Party Logistics and is specializing in forwarding any type of permissible Shipments/Cargo anywhere in India by Air, Roadways and Train. Our Company is mainly engaged in the business of providing logistic services viz. cargo transport by Air, Roadways and Train, Packing and Moving. We also provide door to door parcel delivery service for all kinds of parcels, big and small. The cargo transportation is generally carried out using road, rail and air as the mode of transport. We deliver all types of cargos including parcels of all sizes, advertising material and Mutual Fund and IPO Application / Bid Forms. Our Company intends to expand the road cargo business by increasing the number of trucks in its fleet and also building new warehouses in geographically distributed location to enhance Pan India presence.

The present Revenue Model of our Company is as under:



As seen in the above chart, majority of our present business is concentrated on transportation of cargo by Rail mode. However, our Company believes that the volume of Road cargo in the Industry is more than any other mode. Also with the growing infrastructure in the country, we believe that the cargo volume by Road will further increase. Hence, our expansion is directed towards developing a larger fleet of trucks and building warehouses across the country.

Mr. Nitin Somani, who has 22 years of experience in the field of logistics, has promoted our Company along with his wife, Mrs. Sonal Somani in the year 2005. Mr. Nitin Somani ventured into the business of courier, transportation of documents, etc. in the year 1990. Thereafter, he ventured into transportation of parcels and over the years started corporate cargo transportation as well. With growing experience in the industry and increasing importance of logistics industry, Mr. Nitin Somani promoted and incorporated our Company along with his wife.

Upon incorporation, our Company commenced operations of transportation of cargo through trains. In the year 2006, our Company started taking air cargo consignments. By the year 2007, our Company had 20 depots in various cities across India and in the year 2008 our Company started road cargo business by acquiring its own fleet of trucks. Today, our Company has a fleet of 71 trucks, 45 depots across the country, operates in rail, road and air modes of transportation and has also commenced packaging services.

Our Company is constantly on the growth path and we have increased our fleet and depots manifolds since our inception in the year 2005. Our revenue has increased from ₹ 2,314.82 lakhs in the FY 2008-09 to ₹ 3,548.61 lakhs in the FY 2009-10, to ₹ 4,145.08 lakhs in FY 2010-11 and further to ₹ 6,541.95 lakhs in the FY 2011-12, showing an increase of 53.30%, 16.81% and 57.82% respectively.

Location

The registered office of our Company is situated at Mumbai and our warehouses / depots are located in major cities of India.

Since inception, we have constantly grown our network of depots. With only 5 depots in 2005, our Company today has 45 depots giving us pan-India presence. The below table enumerates the year-wise growth of depots:

Calendar Year	Location		No. of Depots	Cumulative No. of Depots
	Zone	Cities		
2005	North	Delhi	1	
	East	-	0	
	West	Mumbai, Ahmedabad, Pune and Baroda	4	
	South	-	0	
Total			5	5
2006	North	-	0	
	East	Guwahati, Patna, Kolkata	3	
	West	-	0	
	South	Hyderabad, Bangalore, Chennai	3	
Total			6	11
2007	North	Agra, Ludhiana	2	
	East	Jamshedpur	1	
	West	Indore, Nasik, Nagpur, Goa	4	
	South	Cochin, Vizag, Belgaum, Hubli	4	
Total			11	22
2008	North	Chandigarh, Jodhpur, Jammu, Dehradun	4	
	East	Bhubaneswar, Siliguri, Howrah	3	
	West	Raipur, Bhopal, Bhiwandi (Thane-Dist)	3	
	South	Coimbatore	1	
Total			11	33
2009	North	Lucknow, Jaipur, Jalandhar	3	
	East	-	0	
	West	Andheri (Mumbai), Vapi, Aurangabad,	3	
	South	Secunderabad	1	
Total			7	40
2010	North	Delhi (Pahadganj)	1	
	East	-	0	
	West	Vashi (Navi Mumbai)	1	
	South	-	0	
Total			2	42
2011	North	-	0	
	East	-	0	
	West	-	0	
	South	-	0	
Total			0	42
2012*	North	-	0	
	East	-	0	
	West	Mumbai	3	
	South	-	0	
Total			3	45

* Until April 25, 2012

Fleet

Our Company currently maintains a fleet of 71 trucks of varying Load Capacities. The fleet operates across the country ensuring nation-wide services to our corporate and individual customers. Our Company purchased majority of the trucks in the FY 2011-12 as part of expansion in the road cargo business. Though these fleets will give road cargo business the much needed presence, we further intend to strengthen our capacity

substantially. Keeping this in mind, our Company is proposing to purchase more vehicles of different capacities as part of our expansion project, details of which are given in the Chapter 'Objects of the Issue' on page no. 29 of this DRHP. The below table gives the details of the existing fleet of trucks:

Capacity (Ton)	Vehicle size (feet)	No. of Vehicles
1 Ton	7.5 Ft	21
3.5 Ton	11 Ft	1
6 Ton	19 Ft	8
7 Ton	22 Ft	5
10 Ton	24 Ft	26
16 Ton	24 Ft	4
16 Ton	32 Ft	6
Total		71

Besides, owning the above fleet, our Company has in place provision for regular repairs and maintenance of the vehicles. We undertake preventive maintenance for our vehicles, which help to increase fuel efficiency and minimize breakdowns and wear and tear. The vehicles are inspected regularly in order to avoid frequent repairs and service interruptions. In case of major or critical problems, the repairs are carried out at specialized service centre. Majority of our fleet is less than or equal to 5 years old. The young fleet and measures taken for preventive maintenance enable us to reduce our cost of repairs and maintenance.

Warehouses

With increasing road infrastructure, our Company intends to expand the roadways cargo business. Thus, along with increasing our fleet of vehicles, our Company proposes to set up warehouses in Pune to gain advantage of increased demand for warehousing facilities. By expansion in this area, we propose to provide our customers with the warehouse space on 'Per Day', 'Per Month' or 'Per Year' rental basis, as per the customers' requirements. For details of warehouses that we propose to set up, please see chapter "Objects of the Issue" on page no. 29 of this DRHP.

EXISTING SERVICES

With the growing scale of business, we intend to make a strong footing in the Third Part Logistics (3PL) market. Our existing services are explained below:

Multimodal Transportation

Train / Rail Cargo Service

Through this service, we transport majority of the cargo by passenger trains instead of the goods trains. This is because goods trains are generally for bulk quantities like food grains, coal etc. Booking small sections in one container of goods trains is not cost effective and thus we transport our consignments using the Luggage compartments of the passenger trains. Further, goods trains have limited frequency and routes and also take more transit time than passenger trains.

We ensure our customers timely door-to-door pick up & delivery which helps us in retaining our customers as they are satisfied with the service.

Road Cargo Service

We started road cargo service in October 2008 and are engaged in the business of transportation of cargo / consignment by roadways within India. Cargo transportation is carried out for bulk as well as non-bulk freight for various industry segments. Our Company provides services for Full Truck Load (FTL) as well as Part Truck Load (PTL) to customers, which gives them flexibility for quantity of their consignment.

Under FTL, we provide door to door service wherein the entire truck is loaded with cargo of a single customer and are delivered to the delivery point as specified by the customer. The customers who have large quantities of cargo to be transported hire full truck load for transport of cargo.

Under PTL, the customers have the flexibility of hiring the truck on part basis. The cargos of various customers are consolidated and transported to single / multiple destinations on the same truck.

Air Cargo Service

Air Cargo Service is used for speedy delivery of cargo over longer distances. We book air consignments and further sub-contract the consignment to carriers / other agencies for transport to the required destination by air. Our air consignments move through various airlines like Jet Airways, Go Airways, Indian Airlines and Kingfisher Airlines. Air Cargo is beneficial to our customers as it is a time-definite mode and also beneficial to our Company as it helps in route optimization.

Value Added Services

In October 2010, we started packaging services to our customers for their consignment. As per our customers' requirements, we provide Bubble Packaging, Carton Packaging and Wooden Packaging. Cargo dispatched to the destinations with the proper packaging ensures safety and reduces loss due to damage in transit.

PROPOSED SERVICES

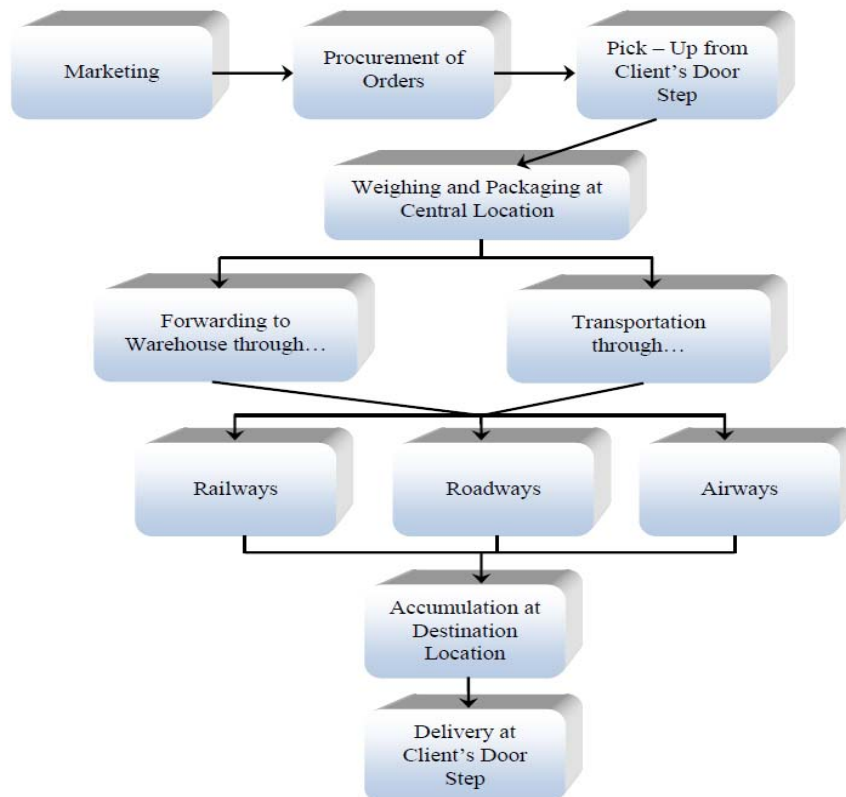
We propose warehousing services in addition to the above services provided by us, thus expanding our scope to Contract Logistics.

Contract Logistics (Warehouses)

Under Contract Logistics, we intend to start operations by providing warehousing facilities. Here, we will provide space to our customers to store goods until they are transported to the specified destination. For this storage purpose, we propose to provide our customers with the warehouse space on 'Per Day', 'Per Month' or 'Per Year' rental basis, as per the customers' requirements. For details of warehouses that we propose to set up, please see chapter "Objects of the Issue" on page no. 29 of this DRHP.

OUR BUSINESS PROCESS

Our logistics solutions are designed in accordance with our order management, shipment management, customs management, warehouse and inventory management, sales order management and reverse logistics. These solutions are designed to manage inbound and outbound logistics activities for in-plant and outsourced facilities of the customers, thereby allowing customers to concentrate on their core competencies.



Though we have presence in providing logistic services through all modes of transport, our current focus is transportation of cargo through railways. Recently, we have entered into the roadways mode of transportation in a bigger way with our own fleet of trucks. Our customers include Lintas India Pvt. Ltd., Parle Products Pvt. Ltd., Yash Raj Films Pvt. Ltd., Eureka Forbes Limited and Kotak Mahindra Mutual Fund to name a few.

Since our customers' logistics requirements need co-ordination of specialized services provided by multiple vendors, we provide integrated and end-to-end solutions to our customers so that they do not have to deal with various third parties. Once the customer places an order, our delivery trucks arrange to pick up the cargo from the customer's door step (home / office / factory / godown). This cargo is weighed and sorted according to area and priority. We offer our customers value added services like packaging which includes normal packaging, fragile packaging, water-proof packaging, etc. The Cargo is marked and transported to the railway stations where the same is loaded in the luggage coaches of the passenger trains. The unloading and clearing of cargo is done at the destination railway station which is then delivered to the door step in our trucks. All our cargo shipments can be tracked online on the Company's website.

For transportation by Road, the cargo, after weighing and sorting, is transferred to our nearest depot for loading in the trucks and the same is unloaded at the destination depot before being sent to the recipient's door step.

OUR COMPETITIVE STRENGTHS

Host of Services offered

Our Company has not confined itself to the Parcel handling Services. We have successfully captured many aspects of the Logistics Industry, viz:

1. Train Cargo Service
2. Surface (Road) Cargo Service - Part-Load & Full-Load Transportation Services
3. Air Cargo Service
4. Packaging facilities
5. Online Tracking of cargo and regular updates

Pan India Presence

Our Company has expanded its presence throughout the country in the short span of 5-6 years. We have built a strong market place owing to our dedication towards quality, reliability and timeliness of services offered. Our Company has successfully made the transition from a local transportation service provider within the Mumbai to a Pan-India service provider. The Company is rendering services to its valued customers at the four major metros, satellite cities, and even some remote places of the country through its depots located across India. We operate our depots at 45 locations spread across zones, details of which have been given under this chapter.

Strong Technological Capabilities

Our Company has invested significant resources in technological capabilities and has developed a scalable technology system. Such technological capabilities are key aspects of our operating model and our ability to deliver consistent levels of customer service. Our Company has installed dedicated software for logistics management. We also have entered into an Annual Maintenance Contract (AMC) for the maintenance of the software, as it is the backbone of our logistics operation. In addition to managing the physical movement of consignment, we offer real-time tracking. The entire information technology requirements of our Company including computerization of our branches / offices, tracking status reports, etc. are currently centred at our registered office. Our online cargo tracking facility is available at www.fasttrainc.com, which facilitates customers in locating the movement of cargo.

Low dependence on hiring third-party vehicles

We prefer to operate our owned vehicles and hire third-party vehicles only during periods of high demand and in emergencies and that too on select routes. Hiring third-party vehicles involves a higher cost of operation as we are required to pay for the operational cost of the hired vehicles. It also results in a lower payload capacity vis-à-vis our owned vehicles which we believe are lighter and have longer length bodies to carry a higher payload. Therefore, operating our owned vehicles enables us to eliminate hiring costs and also enables us to

carry higher volumes leading to higher revenues per trip. Additionally, with third-party vehicles, there is no certainty that these vehicles will be available when we need them or whether we will be able to ensure safe delivery in a timely manner. Furthermore, in times of scarcity of third-party vehicles, the cost of hiring tends to increase significantly. Our Company currently operates 71 vehicles which include trucks with varying load capacity and varying length. Further, we are proposing to increase our fleet by adding another 75 trucks as part of our expansion plans.

Competitive Prices and Operating Efficiency

We strive to offer our customers with the best rates possible thus forming part of our customer retention strategy. We are able to provide competitive rates to our customers since we have in-house fleet of trucks and using passenger trains for cargo transport which helps us control our costs.

Management Expertise

Our Promoters have been engaged in the business of Transport and Logistics for around 22 years which gives them immense knowledge of the Industry and thus better decisions. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. Our Promoter Director, Mr. Nitin Somani who has been involved in the business and management of our Company, has around 22 years of experience in the transport and logistics industry. We believe that our management team's experience and their understanding of the logistics industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent contractors, the global economic crisis and fluctuations in fuel prices.

Diverse customer base

Our cargo transportation business is serving numerous Industries. We have a diverse customer base from different Industry Sectors such as Printing, Pharmaceuticals, Automobiles, Banking, FMCG, etc. The details of Sector wise income during the last 3 years are as under:

(₹ in Crores)

Sr. No.	Industry	2008-2009		2009-2010		2010-2011	
		Amt.	% of Income	Amt.	% of Income	Amt.	% of Income
1	Printing	6.21	26.91	9.00	25.41	10.15	24.76
2	Automobile	1.05	4.55	4.22	11.91	4.69	11.44
3	Pharmaceuticals	2.37	10.27	3.13	8.84	4.08	9.95
4	FMCG	1.10	4.77	2.44	6.89	3.06	7.46
5	Glass	2.08	9.01	2.12	5.99	3.40	8.29
6	Banking	3.09	13.39	4.22	11.91	4.58	11.17
7	Others	7.18	31.11	10.29	29.05	11.04	26.93
TOTAL		23.08	100.00	35.42	100.00	41.00	100.00

Existing customer relationships

We constantly try to address our customer's needs. We believe that, our existing customer relationships help us to get continuous business from our customers. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy.

OUR MAJOR CUSTOMERS

Our Company provides services to customers ranging to various industries viz. Printing, FMCG, Pharmaceutical, Automobiles, Banking, Glass, etc.

The percentage of income derived from top 10 customers in the last financial year is given below:

Sr. No.	Customer	Amount (₹ in lakhs)	Percentage (%)
1	Shree Fast Courier & Cargo Pvt. Ltd	1,031.12	15.84
2	Parle Biscuits Pvt. Limited	369.50	5.68

3	ICICI Bank Limited	221.46	3.40
4	Reliance Mutual Fund	193.22	2.97
5	Cadbury India Limited	174.16	2.68
6	UTI AMC	60.83	0.93
7	Bayer India Limited	59.08	0.91
8	Branpulse Marketing Solutions	49.69	0.76
9	Godrej Consumer Prod. Ltd.	44.08	0.68
10	Vivian Fashions	35.50	0.55

(₹ in lakhs)

Sr. No.	Particular	Revenue	%age
1	Income from Top 5 Customers (%)	1,989.46	30.57
2	Income from Top 10 Customers (%)	2,238.64	34.40

PLANT & MACHINERY

Since our Company is engaged in the business of transportation and warehousing, we do not require any plant & machinery.

COLLABORATIONS

We have not entered into any technical or other collaboration.

CAPACITY AND CAPACITY UTILIZATION

Since we operate in the service industry, installed capacity and capacity utilization is not applicable to us.

INFRASTRUCTURAL FACILITIES AND UTILITIES:

Our registered office at Mumbai and majority of our depots are well equipped with computer systems, internet connectivity, other communication equipments, security and other facilities, which are required for our business operations to function smoothly.

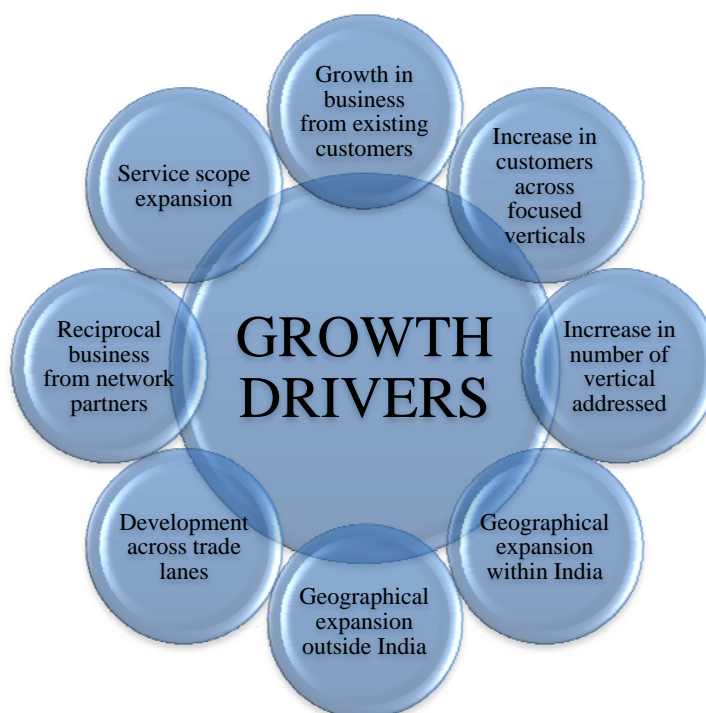
COMPETITION

The industry in which we operate is highly competitive and fragmented. Competition emerges from small as well as big players in the logistics industry. The organized players in the industry compete with each other by providing value added services. We have a number of competitors offering services similar to us. We believe the principal elements of competition in logistics industry are price, customer service, timely delivery and reliability. We compete against our competitors by establishing ourselves as a leading knowledge based service provider with industry expertise in multi-modal transportation, which enables us to respond rapidly to the evolving needs of our customers related to their logistic services.

Although a number of carriers compete with us on a regional basis, only a limited number of carriers compete with us in all of our geographic markets. We believe that the scale and scope of our operations allows us to meet our customers' requirements better than the smaller carriers.

BUSINESS STRATEGY

Our strategic objective is to improve and consolidate our position as a full-scope 3PL service provider with a continuous growth philosophy. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.



Our continuous growth philosophy is being driven with the strategic levers of operational excellence, strengthening existing services, customer satisfaction, ecosystem development, innovation and marketing, expansion into new geographies, offering incremental modes of transport and introduction of new services.

Operational excellence

We continue to invest in operational excellence throughout the organization. We are addressing operational excellence through continuous process improvement, customer service and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is widespread among all the employees.

Customer satisfaction

Our vertical focus has enabled us to address specific logistics needs in a particular sector. We continue to drive customer satisfaction through domain knowledge and better services in the sectors of focus. This helps us in providing better value to each customer thereby increasing our entrenchment with our new and existing customer base that presents a substantial opportunity for growth.

3PL- Third party Logistics

The Company is on course to provide complete 3PL services to its valued customers. Third Party Logistics or 3PL is a concept where a single logistic service provider manages the entire logistics function for a Company.

Meeting the need of organized retail industry

With rapid developments in the Retail Industry, logistics have to play a vital role. The expected changes in the retail market and emergence of concepts like tele-shopping, on-line shopping, mobile shopping and malls are the key opportunities for the growth in the logistics industry and our Company is targeting to grab the opportunity.

Total Logistics Solutions for New Entrants

Newly set up firms, companies or branches of Multi-national companies require a lot of assistance for their logistics needs. The Company is constantly seeking to provide TOTAL LOGISTICS SOLUTIONS to such newly emerged business enterprises.

Increase our fleet size

Our Company operates with a fleet of 71 vehicles which includes trucks of varying lengths and varying load capacities. We propose to increase our fleet strength to 151 vehicles by purchasing additional 75 trucks under the expansion plan. Due to this increase, we will be able to cover large number of routes. Also, our Company intends to further increase the fleet size over the next 3-5 years which will help us to grow at exponential pace.

Focus on serving a diverse, underserved customer landscape

We serve a broad range of customers in our cargo transportation business, including sectors like Printing, Automobiles, Pharmaceuticals FMCG, Banking, Glass, etc. Our services are concentrated primarily to large corporate sector customers, who we believe award us a big volume of the transport business. Besides, we also cater to many small and mid-size customers which form part of the underserved customers. By having a wide customer base of big to small to mid-size customers, our revenues are not dependant on any single customer or a group of customers. Furthermore, we believe our target customer base presents attractive growth opportunities for each of our service offerings given that many small to mid-size customers have not yet capitalized on the benefits of third-party transportation.

Maintain our commitment to time bound service, safety and quality

We are committed to timely transportation of cargo / goods and have also maintained commitment towards safe delivery of the same. As we seek to start our warehouse business, our reputation for time bound service is very essential and we intend to continue to focus on ensuring timeliness and efficiency.

MARKETING STRATEGY

Our existing marketing setup

Marketing is an important function of our Company. Though our business is spread Pan India, our revenue centre and our marketing centre is based at our registered office in Mumbai.

Our marketing team is headed by Mr. Krishna Kumar Mahto, Marketing Manager. Our marketing team directly approaches our existing and prospective customers. We are able to build long term relationships with our customers, as we deal directly with them and respond quickly to their requirements. This enables us to generate repeat business from our existing customers and also new business from prospective customers. We have already established a customer network from diverse industries.

Approach to Marketing

Our Company operates in the logistic segment, which is dynamic and demanding and requires constant effort on part of Marketing to keep us ahead of our competitors. We strive to deliver our services at the right time, at right price and using the right partners.

Our major marketing plans and approach includes the following:

- Banner Display (Mostly during Festivals)
- Vinyl Activity
- Brochures Distributions
- Tele Marketing
- Advertisements (Newspapers / Magazines / etc.)
- Agency Promotions
- Trucks / Tempo Vinyl

Our implementation of the above strategies since our inception is detailed in the below table:

Year	Banner	Vinyl Activity	Brochures	Tele-Mktg.	Advertisment	Agency Promotions	Truck / Tempo Vinyl	Total
2005	6%	5%	15%	65%	4%	-	5%	100%

Year	Banner	Vinyl Activity	Brochures	Tele-Mktg.	Advertisement	Agency Promotions	Truck / Tempo Vinyl	Total
2006	7%	8%	20%	50%	5%	-	10%	100%
2007	7%	8%	22%	43%	7%	1%	12%	100%
2008	8%	8%	24%	44%	2%	2%	12%	100%
2009	12%	4%	15%	53%	1%	-	15%	100%
2010	9%	5%	23%	45%	2%	-	16%	100%
2011	2%	2%	25%	52%	5%	-	14%	100%

As seen above, our emphasis is on Tele-marketing which is based on tendering, direct customer enquiries/request for quote, short listed enquiries based on services and referencing.

Besides, we have recently started an agency with a view to expand our geographical scope and increase our market presence. We currently have appointed one agency to gauge its suitability. The agent is assigned the responsibility of collecting the cargo / consignment / parcel from the customer and send the same to FTC's nearest reporting office. We intend to increase the number of agencies over the coming years which we believe will enhance our brand image.

INSURANCES

We have insured our vehicles with the policies pertaining to vehicles carrying goods. Notwithstanding our insurance coverage, damage to our vehicles could nevertheless have a material adverse effect on our business, financial condition and results of operations to the extent such occurrences disrupt normal operations of our business or to the extent our insurance policies do not cover our economic loss resulting from such damage. For further information, see section titled “Risk Factors” on page no. xii

The details of the policies are:

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
1.	Goods Carrying Vehicle Package Policy bearing No. 2315200118556600000	HDFC ERGO General Insurance Company Limited	August 23, 2011	August 22, 2012	₹ 1,440,817 Premium: ₹ 26,824	Truck: Eicher HCV 20.16 – CAB and CHASSIS HR HDS bearing chassis number MC230MRCOBH0 23249.
2.	Goods Carrying Vehicle Package Policy bearing No. 2315200118561800000	HDFC ERGO General Insurance Company Limited	August 23, 2011	August 22, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher HCV 20.16 – CAB and CHASSIS HR HDS bearing chassis number MC230MRCOBH0 23250.
3.	Goods Carrying Vehicle Package Policy bearing No. 2315200114800200000	HDFC ERGO General Insurance Company Limited	August 10, 2011	August 9, 2012	₹ 1,396,405 Premium: ₹ 26,373	Truck: Eicher HCV 20.16 bearing chassis number MC230MRCOBE21 716.
4.	Goods Carrying Vehicle Package Policy bearing No. 2315200118551300000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,824	Truck: Eicher HCV 20.16 bearing chassis number MC230MRCOBH0 23251.
5.	Goods Carrying Vehicle Package Policy bearing No. 2315200114797300000	HDFC ERGO General Insurance Company Limited	August 10, 2011	August 9, 2012	₹ 1,396,405 Premium: ₹ 26,373	Truck: Eicher HCV 20.16 bearing chassis number MC230MRCOBE20 770.
6.	Goods Carrying Vehicle Package Policy bearing No. 2315200118553700000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher HCV 20.16 bearing chassis number MC230MRCOBH0 23159.
7.	Goods Carrying Vehicle Package Policy bearing No. 2315200118568600000	HDFC ERGO General Insurance Company Limited	August 23, 2011	August 22, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher HCV 20.16 – CAB and CHASSIS HR HDS bearing chassis number MC230MRCOBH0 23242.
8.	Goods Carrying Vehicle Package Policy bearing No. 2315200114799400000	HDFC ERGO General Insurance Company Limited	August 10, 2011	August 9, 2012	₹ 1,440,817 Premium: ₹ 26,824	Truck: Eicher HCV 20.16 bearing chassis number MC230MRCOBF22 128.

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
9.	Goods Carrying Vehicle Package Policy bearing No. 2315200114794900000	HDFC ERGO General Insurance Company Limited	August 10, 2011	August 9, 2012	₹ 1,440,817 Premium: ₹ 26,824	Truck: Eicher HCV 20.16 bearing chassis number MC230MRCOBF22 324.
10.	Goods Carrying Vehicle Package Policy bearing No. 2315200118566200000	HDFC ERGO General Insurance Company Limited	August 23, 2011	August 22, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher HCV 20.16 – CAB and CHASSIS HR HDS bearing chassis number MC230NRCOBH02 3244.
11.	Goods Carrying Vehicle Package Policy bearing No. 2315200118543700000	HDFC ERGO General Insurance Company Limited	August 23, 2011	August 22, 2012	₹ 1,440,817 Premium: ₹ 26,824	Truck: Eicher HCV 20.16 – CAB and CHASSIS HR HDS bearing chassis number MC230MRCOBH0 23243.
12.	Goods Carrying Vehicle Package Policy bearing No. 2315200120964600000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,816	Truck: Eicher Jumbo 20.16 bearing chassis number MC230MRCOBF02 2195.
13.	Goods Carrying Vehicle Package Policy bearing No. 2315200121445300000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher Jumbo 20.16 bearing chassis number MC230MRCOBE02 1877.
14.	Goods Carrying Vehicle Package Policy bearing No. 2315200120806900000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher Jumbo 20.16 bearing chassis number MC230MRCOBE02 1879.
15.	Goods Carrying Vehicle Package Policy bearing No. 2315200121304600000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher Jumbo 20.16 bearing chassis number MC230MRCOBE02 1940.
16.	Goods Carrying Vehicle Package Policy bearing No. 2315200121440300000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher Jumbo 20.16 bearing chassis number MC230MRCOBF02 2325.
17.	Goods Carrying Vehicle Package Policy bearing No. 2315200120802300000	HDFC ERGO General Insurance Company Limited	August 24, 2011	August 23, 2012	₹ 1,440,817 Premium: ₹ 26,825	Truck: Eicher Jumbo 20.16 bearing chassis number MC230MRCOBF02 2194.
18.	Goods Carrying Vehicle	HDFC ERGO	August	August	₹ 1,440,817	Truck: Eicher

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
	Package Policy bearing No. 2315200121446800000	General Insurance Company Limited	24, 2011	23, 2012	Premium: ₹ 26,825	Jumbo 20.16 bearing chassis number MC230MRCOBE02 1709.
19.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001308	Bajaj Allianz General Insurance Company Limited	May 17, 2011	May 16, 2012	₹ 227,594 Premium: ₹ 13,184	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 445056CQZV18364
20.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001311	Bajaj Allianz General Insurance Company Limited	May 17, 2011	May 16, 2012	₹ 227,594 Premium: ₹ 12,481	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 445056CQZV18356
21.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001306	Bajaj Allianz General Insurance Company Limited	May 17, 2011	May 16, 2012	₹ 227,594 Premium: ₹ 12,481	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 445056CQZV18353
22.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001310	Bajaj Allianz General Insurance Company Limited	May 17, 2011	May 16, 2012	₹ 227,594 Premium: ₹ 12,481	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 445056CQZV18361
23.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001670	Bajaj Allianz General Insurance Company Limited	May 14, 2011	May 13, 2012	₹ 242,060 Premium: ₹ 13,228	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 05925
24.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00000372	Bajaj Allianz General Insurance Company Limited	April 27, 2012	April 26, 2013*	₹ 334,000 Premium: ₹ 10,963	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number MAT445057BZC25 653
25.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00000373	Bajaj Allianz General Insurance Company Limited	April 12, 2012	April 11, 2013*	₹ 334,000 Premium: ₹ 10,963	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number MAT445057BVC25 230
26.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00000410	Bajaj Allianz General Insurance Company Limited	April 12, 2012	April 11, 2013*	₹ 334,000 Premium: ₹ 10,963	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number MAT445057BZC25 450
27.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00000411	Bajaj Allianz General Insurance Company Limited	April 12, 2012	April 11, 2013*	₹ 334,000 Premium: ₹ 10,963	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number MAT445057BZC25 738
28.	Commercial Vehicle Package Policy bearing No.	Bajaj Allianz General Insurance	May 12, 2011	May 11, 2012	₹ 294,000	Goods Carrying Public Carrier:

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
	OG – 12 – 1908 – 1803 – 00000178	Company Limited			Premium: ₹ 14,928	Mahindra Mahindra Maximo bearing chassis number MA1FA2HRRB6C1 9755.
29.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1908 – 1803 – 00000116	Bajaj Allianz General Insurance Company Limited	May 2, 2011	May 1, 2012	₹ 294,000 Premium: ₹ 14,928	Goods Carrying Public Carrier: Mahindra Mahindra Maximo bearing chassis number MA1FA2HRRB6B1 8277.
30.	Goods Carrying Vehicle Package Policy bearing No. 2315200124579500000	HDFC ERGO General Insurance Company Limited	August 22, 2011	August 21, 2012	₹ 164,046 Premium: ₹ 12,589	Truck: Tata Motors Ace HT bearing chassis number GRZV40841.
31.	Goods Carrying Vehicle Package Policy bearing No. 2315200124569400000	HDFC ERGO General Insurance Company Limited	August 22, 2011	August 21, 2012	₹ 164,046 Premium: ₹ 12,589	Truck: Tata Motors Ace HT bearing chassis number GRZV40238.
32.	Goods Carrying Vehicle Package Policy bearing No. 2315200124572900000	HDFC ERGO General Insurance Company Limited	August 22, 2011	August 21, 2012	₹ 164,046 Premium: ₹ 12,589	Truck: Tata Motors Ace HT bearing chassis number GRZV40844.
33.	Goods Carrying Vehicle Package Policy bearing No. 2315200124576000000	HDFC ERGO General Insurance Company Limited	August 22, 2011	August 21, 2012	₹ 164,046 Premium: ₹ 12,589	Truck: Tata Motors Ace HT bearing chassis number GRZV40806.
34.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00000514	Bajaj Allianz General Insurance Company Limited	April 14, 2012	April 13, 2013*	₹ 527,573 Premium: ₹ 12,732	Truck: Eicher 11.10 bearing chassis number 33HC8B025580.
35.	Goods Carrying Vehicle Package Policy bearing No. 2315200098872400000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 880,220 Premium: ₹ 20,337	Truck: Tata Motors Tata Trucks – LPT 909 bearing chassis number MAT454021B8C14 228.
36.	Goods Carrying Vehicle Package Policy bearing No. 2315200098874900000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 880,220 Premium: ₹ 20,337	Truck: Tata Motors Tata Trucks – LPT 909 bearing chassis number MAT454020B8D16 550.
37.	Goods Carrying Vehicle Package Policy bearing No. 2315200098879300000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 978,952 Premium: ₹ 21,363	Tata Motors Tanker – 1109 bearing chassis number MAT45710B7F287 91.
38.	Goods Carrying Vehicle Package Policy bearing No. 2315200098876600000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,511,275 Premium: ₹ 29,381	Truck: Tata Motors Tata Trucks – LPT 2518 bearing chassis number MAT448030B7F28 884.

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
39.	Goods Carrying Vehicle Package Policy bearing No. 2315200098871700000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 978,952 Premium: ₹ 21,363	Tata Motors Tanker – 1109 bearing chassis number MAT45701B7F269 35.
40.	Goods Carrying Vehicle Package Policy bearing No. 2315200098886900000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,624,605 Premium: ₹ 30,561	Asia Motor Works Tanker – 2518 bearing chassis number MAT448176B0E08 761.
41.	Goods Carrying Vehicle Package Policy bearing No. 2315200099060300000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,624,605 Premium: ₹ 30,558	Tata Motors Tata Trucks – LPT 2518 bearing chassis number MAT448176B0E08 760.
42.	Goods Carrying Vehicle Package Policy bearing No. 2315200098883600000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,428,919 Premium: ₹ 29,238	Eicher Motors Tanker – 30.25 bearing chassis number MC244LRC0BF008 583.
43.	Goods Carrying Vehicle Package Policy bearing No. 2315200098881700000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,428,919 Premium: ₹ 29,238	Eicher Motors Tanker – 30.25 bearing chassis number MC244LRC0BF008 620.
44.	Goods Carrying Vehicle Package Policy bearing No. 2315200099056700000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,624,605 Premium: ₹ 30,563	Tata Motors Tata Trucks – LPT 2518 bearing chassis number MAT448176B0E08 298.
45.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001660	Bajaj Allianz General Insurance Company Limited	May 17, 2011	May 16, 2012	₹ 235,235 Premium: ₹ 13,149	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number MAT4450569ZE05 385.
46.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001675	Bajaj Allianz General Insurance Company Limited	May 20, 2011	May 19, 2012	₹ 235,235 Premium: ₹ 13,149	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 05393.
47.	Goods Carrying Vehicle Package Policy bearing No. 2315200098891100000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,511,275 Premium: ₹ 29,381	Tata Motors Tata Trucks – LPT 2518 TC bearing chassis number MAT448030B7F28 882.
48.	Goods Carrying Vehicle Package Policy bearing No. 2315200098898700000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,548,334 Premium: ₹ 30,481	Eicher Motors Trucks – Eicher Galaxy 30.25XP bearing chassis

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
						number MC244SRFOBF008 585.
49.	Goods Carrying Vehicle Package Policy bearing No. 2315200098894700000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,548,334 Premium: ₹ 30,481	Eicher Motors Trucks – Eicher Galaxy 30.25XP bearing chassis number MC243SRFOBE00 8543.
50.	Goods Carrying Vehicle Package Policy bearing No. 2315200098887400000	HDFC ERGO General Insurance Company Limited	July 7, 2011	July 6, 2012	₹ 1,548,334 Premium: ₹ 30,481	Eicher Motors Trucks – Eicher Galaxy 30.25 XP bearing chassis number MC243SRFOBE00 8542.
51.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001668	Bajaj Allianz General Insurance Company Limited	May 14, 2011	May 13, 2012	₹ 855,600 Premium: ₹ 21,770	Goods Carrying Public Carrier: Tata Ace HT bearing chassis number 388374ARZ101532.
52.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001674	Bajaj Allianz General Insurance Company Limited	May 14, 2011	May 13, 2012	₹ 855,600 Premium: ₹ 21,770	Goods Carrying Public Carrier: Tata LPT 1613 bearing chassis number 388374ARZ101882.
53.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001638	Bajaj Allianz General Insurance Company Limited	May 14, 2011	May 13, 2012	₹ 855,600 Premium: ₹ 21,770	Goods Carrying Public Carrier: Tata LPT 1613 bearing chassis number 388374ARZ101429.
54.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001673	Bajaj Allianz General Insurance Company Limited	May 14, 2011	May 13, 2012	₹ 855,600 Premium: ₹ 21,770	Goods Carrying Public Carrier: Tata LPT 1613 bearing chassis number 388374ARZ101506.
55.	Commercial Vehicle Package Policy bearing No. OG – 12 – 1901 – 1803 – 00001665	Bajaj Allianz General Insurance Company Limited	May 14, 2011	May 13, 2012	₹ 833,000 Premium: ₹ 18,156	Goods Carrying Public Carrier: Tata LPT 1613 bearing chassis number 388374ARZ101504.
56.	Goods Carrying Vehicle Package Policy bearing No. 2315200111418100000	HDFC ERGO General Insurance Company Limited	August 2, 2011	August 1, 2012	₹ 312,026 Premium: ₹ 14,356	Tata 407 bearing chassis number 68657.
57.	Goods Carrying Vehicle Package Policy bearing No. 2315200136728200000	HDFC ERGO General Insurance Company Limited	September 21, 2011	September 20, 2012	₹ 1,340,817 Premium: ₹ 25,722	Eicher 20.16 bearing chassis number MC230MRCOBG0 22542.
58.	Goods Carrying Vehicle Package Policy bearing No. 2315200136735700000	HDFC ERGO General Insurance Company Limited	September 21, 2011	September 20, 2012	₹ 1,340,817 Premium: ₹ 25,722	Eicher 20.16 bearing chassis number MC230MRCOBF02 2139.

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
59.	Goods Carrying Vehicle Package Policy bearing No. 23152001367330900001	HDFC ERGO General Insurance Company Limited	September 21, 2011	September 20, 2012	₹ 1,340,817 Premium: ₹ 25,722	Eicher HCV 20.16 – Cab and Chassis LR HDS bearing chassis number MC230MRC0BH023349
60.	Goods Carrying Vehicle Package Policy bearing No. 2315200107392000000	HDFC ERGO General Insurance Company Limited	July 29, 2011	July 28, 2012	₹ 190,000 Premium: ₹ 12,309	Tata Motors Ltd. Tata Ace HT bearing chassis number 445056CQZV18684
61.	Goods Carrying Vehicle Package Policy bearing No. 2315200107391100000	HDFC ERGO General Insurance Company Limited	July 30, 2011	July 29, 2012	₹ 190,000 Premium: ₹ 12,309	Tata Motors Ltd. Tata Ace HT bearing chassis number 445056CQZV18686
62.	Goods Carrying Vehicle Package Policy bearing No. 2315200107392300000	HDFC ERGO General Insurance Company Limited	July 29, 2011	July 28, 2012	₹ 190,000 Premium: ₹ 12,309	Tata Motors Ace HT bearing chassis number 445056CQZV18669
63.	Goods Carrying Vehicle Package Policy bearing No. 2315200107390800000	HDFC ERGO General Insurance Company Limited	July 30, 2011	July 29, 2012	₹ 190,000 Premium: ₹ 12,309	Tata Motors Ace HT bearing chassis number 445056CQZV18450
64.	Future Secure Commercial Motor Insurance – Comprehensive Policy bearing No – 2011-V1411594-FCV-E002	Future Generali India Insurance Company Limited	September 12, 2011	September 11, 2012	₹ 600,000 Premium: ₹ 15,828	Eicher STD 11.10 bearing chassis number 29129.
65.	Future Secure Commercial Motor Insurance – Comprehensive Policy bearing No – 2011-V1411615-FCV	Future Generali India Insurance Company Limited	September 12, 2011	September 11, 2012	₹ 600,000 Premium: ₹ 15,906	Eicher 11.10 bearing chassis number 028937.
66.	Goods Carrying Vehicle Package Policy bearing No. 2315200106612100000	HDFC ERGO General Insurance Company Limited	July 28, 2011	July 27, 2012	₹ 270,000 Premium: ₹ 13,131	Tata trucks LPT-407 Chassis no - 818209
67.	Goods Carrying Vehicle Package Policy bearing No. 2315200168932800000	HDFC ERGO General Insurance Company Limited	November 30, 2011	November 29, 2012	₹ 1,121,082 Premium: ₹ 21,018	Tata Motors Tata Trucks – LPT 1109 TC bearing chassis number MAT457011B7K47787.
68.	Goods Carrying Vehicle Package Policy bearing No. 2315200168935600000	HDFC ERGO General Insurance Company Limited	November 30, 2011	November 29, 2012	₹ 1,121,082 Premium: ₹ 21,018	Tata Motors Tata Trucks – LPT 1109 TC bearing chassis number MAT457011B7K47785.
69.	Goods Carrying Vehicle Package Policy bearing No. 2315200168934300000	HDFC ERGO General Insurance Company Limited	November 30, 2011	November 29, 2012	₹ 1,121,082 Premium: ₹ 21,018	Tata Motors Tata Trucks – LPT 1109 TC bearing chassis number MAT457011B7K47853.

Sr. No.	Policy Details	Name of the insuring Company	Period Covered		Total Amount / Premium Amount	Vehicle Details
			From	To		
70.	Goods Carrying Vehicle Package Policy bearing No. 2315200168939600000	HDFC ERGO General Insurance Company Limited	November 30, 2011	November 29, 2012	₹ 1,016,271 Premium: ₹ 20,099	Tata Motors Tata Trucks – LPT 909 TC bearing chassis number MAT457011B7K46 424.
71.	Goods Carrying Vehicle Package Policy bearing No. 2315200168931100000	HDFC ERGO General Insurance Company Limited	November 30, 2011	November 29, 2012	₹ 1,016,271 Premium: ₹ 20,099	Tata Motors Tata Trucks – LPT 909 TC bearing chassis number MAT457011B7K43 316.
72.	Private Car – Package Policy no. OG-12-1901-1801-00033250	Bajaj Allianz General Insurance Company Limited	November 14, 2011	November 13, 2012	₹ 1,522,632 Premium: ₹ 28,464	Skoda Superb
73.	Private Car – Package Policy no. OG-12-1901-1801-00003709	Bajaj Allianz General Insurance Company Limited	May 02, 2012	May 01, 2013*	₹ 571,700 Premium: ₹ 13,207	Tata Indigo Manza
74.	Private Car – Comprehensive Insurance Policy no. FPV/S0286564/23/08/M123 1B	Bharti AXA General Insurance Company Limited	August 9, 2011	August 8, 2012	₹ 1,162,532 Premium: ₹ 25,571.96	Honda Civic
75.	Private Car – Package Policy no. OG-12-1901-1801-00010105	Bajaj Allianz General Insurance Company Limited	June 7, 2011	June 6, 2012	₹ 1,125,000 Premium: ₹ 26,313	Honda Civic

* Policy renewed and the cover note for the same received

Applications have been made to all the insurance companies mentioned above for updating the name of the Company from 'Fast Train Cargo Private Limited' to 'Fast Train Cargo Limited' wherever applicable.

PROPERTIES / LAND DETAILS

Proposed Acquisition of Land

Our Company intends to acquire 2 plots of Land in Pune for setting up warehouses.

(₹ in lakhs)

Location of Land and Address of Property	Name of the Vendor	Status of Acquisition	Date of MoU	Amount Deployed	Land Area	Total Cost
Pune: Gat No 56,186/1, 187/1, 196/1, 193/2, 187/2, Mouje Chande (Paud) Tamihini, Taluka - Mulshi, Dist - Pune	Mr. Dadaram Manohar Mandekar	MoU signed	November 23, 2011	11.00	1 Hector 78 Ares (approx. 4.40 Acres)	222.50
Pune: Gat No. 59, 67, 61, 65, 68, 73, 76, 77, 79, 80, 60, 81, 82, 71, Mouje Dhamne (Chakan), Taluka - Khed, Dist - Pune	Mr. Sitaram Madhukar Pawar	MoU signed	December 7, 2011	21.00	8 Hector 65.40 Ares (approx. 21.38 Acres)	806.30
Stamp duty						51.44
Registration Charges						0.60

None of the above parties / vendors is related to the Promoter / Promoter Group.

Our Company is in the process of ascertaining the title and the purchase will be finalised as per the Schedule of Implementation mentioned in the Chapter 'Objects of the Issue' on page no. 29 of this DRHP.

Freehold Property

Our Company owns the following properties:

(₹ in lakhs)

Sr. No.	Schedule of property and area	Date of Agreement	Seller	Purpose	Purchase Consideration
1.	Flat No. 102/A, 1 st Floor, Paschim Jagruti Co – Operative Housing Society Limited, Village Pahadi Goregaon, Siddharth Nagar, Goregaon (West), Mumbai – 400081 admeasuring 525 sq. feet of carpet area.	June 8, 2010	Shivam Parivar Developers Private Limited	Directors' Residence	37.39
2.	Survey No. 25, Hissa No. 4/3, Taluka Mulshi, Pune	February 13, 2007*	Prahlad Skharam Gaekwad, Leela Pralad Gaekwad, Praveen Pralad Gaekwad, Pramod Pralad Gaekwad and Pratibha Pralad Gaekwad	Proposed Construction of Warehouses	40.00

* Our Company has purchased 100% irrevocable development rights from the owners. For details of the property, please see the section

Tenancy

Sr. No.	Name of the Licensor	Description of premises and area	Amount of Rent and Security Deposit	Purpose
1.	Premier Glass Private Limited (Transferor) Sewri Land Company Private Limited (Confirming Party/owner)	Godown bearing No. 27 standing on piece or parcel of land at Sewri within city and registration sub-district of Bombay, registered in the books of the Collector of Bombay under Rent Rule No. B/8290 bearing C.S. No. 1/167 of the Parel Sewri division admeasuring approximately 345 sq. meters alongwith adjoining open space admeasuring approximately 99.96 sq. meters.	Rent of ₹ 3000 per month + ₹ 32,500 p.a. towards municipal taxes + other outgoings as applicable Security deposit ₹ 25,00,000	Godown

Leasehold Property

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
1.	Licensor: Mr. Nitin Prabhudas Somani and Mrs. Sonal Nitin Somani	Premises admeasuring 7,500 sq. ft., Office No 1A, Victoria House, Victoria Mill Compound, PB Marg, Lower Parel, Mumbai - 400013.	For a term of 33 months commencing from November 10, 2011 to August 10, 2014.	Amount of rent: ₹ 307,500 Security Deposit: ₹ 1,845,000	Registered Office
2.	Licensor: Maharashtra Industrial Development Corporation	All that piece and parcel of industrial plot in chemical zone bearing No. K – 2/6 situated at "K" Zone of the	95 years from the date of Agreement of Lease i.e. November 29, 2011	Amount of rent: ₹ 1 p.a. Premium: ₹ 3,150,000	Our Company has vide MoU dated October 3, 2011 with Zuari Fertilizers and

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
		additional Mahad Industrial area, Village Kallija, Taluka Mahad in the layout of Maharashtra Industrial Development Corporation and situated with the jurisdiction of sub-registrar, Mahad, District Raigad, admeasuring 15,000 sq. meters.			Chemical Ltd. (ZFCL) agreed to transfer and assign all leasehold rights of the said plot in ZFCL's favour on the terms and conditions as provided in the MoU for a total consideration of ₹ 153.00 lakhs.
3.	<i>Licensors:</i> Amarjit Kaur	Shop room admeasuring 266 sq. ft. and one godown admeasuring 417 sft, 7/1, Debendra Ganguly Road, P.S. Shibpur, District Howrah, West Bengal	For a term of 12 months commencing from July 1, 2011 to June 30, 2012	<i>Amount of rent:</i> ₹ 14,000 <i>Security Deposit:</i> 84,000	Depot
4.	<i>Licensors:</i> Manoj Deoraj Ganvir	Premises admeasuring 300 Sq. ft., Krishna Nagar, Laxman Nagar Mohalla, Ward No. 18, Sardar Vallabhbhai Road, Raipur	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 3,200 <i>Security deposit:</i> ₹ 18,000	Depot
5.	<i>Licensors:</i> Irshad Khan	Premises admeasuring 300 Sq. ft., Flat no. 190, Shanti Nagar, Barkheda Pathani, Taluka Huzoor, District Bhopal, Madhya Pradesh	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 5,200 <i>Security deposit:</i> ₹ 31,200	Depot
6.	<i>Licensors:</i> Nasir Hussain	Premises No.43-15-12, admeasuring 200 sq. ft., Suba Laxmi, near Railway Station, Vizag-16	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 4,200 <i>Security deposit:</i> ₹ 25,200	Depot
7.	<i>Licensors:</i> K. Pravin Kumar	Premises No.1/202, admeasuring 1,000 sq. ft., KP Nagar, Sundaram Bypass, Ramnathpuram, Coimbatore-641045	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 11,000 <i>Security deposit:</i> ₹ 66,000	Depot
8.	<i>Licensors:</i> Gajanan P Yadav	Premises No.G-44, admeasuring 600 sq. ft., Vardhaman Diamond Plaza, Motia Khan, Pahadganj, Delhi 110057	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 15,000 <i>Security deposit:</i> ₹ 90,000	Depot
9.	<i>Licensors:</i> Harvinde Singh	Tadedmath, H No.7/B, admeasuring 300 sq. ft., Vikas Nagar, 1 st Gookul Road, Hubli – 580021	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 5,200 <i>Security deposit:</i> ₹ 31,200	Depot
10.	<i>Licensors:</i> Pushpa Lucky	Avalki Building, Ground Floor, 108, admeasuring 300 sq. ft., MM Extention, Belgaum – 590016	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 5,200 <i>Security deposit:</i> ₹ 31,200	Depot

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
11.	<i>Licensor:</i> Hafijunisha Layat Ali	Ghar No.669/8, admeasuring 1000 sq. ft., Gajipeth, Gandhi Chowk, Nagpur	For a term of 33 months commencing from October 24, 2011 to July 24, 2014	<i>Amount of rent:</i> ₹ 7,000 <i>Security deposit:</i> ₹ 42,000	Depot
12.	<i>Licensor:</i> Vasanti A Parekh	Premises situated at 1, Nand Ganshyam Industrial Premises CHS, Mahakali Caves Road, Andheri (E), Mumbai – 400093	For a term of 32 months 27 days commencing from October 15, 2011 to July 12, 2014	<i>Amount of rent:</i> ₹ 20,000 <i>Security deposit:</i> ₹ 400,000	Depot
13.	<i>Licensor:</i> Ramashankar Roy	Premises No.C-19, admeasuring 1,100 sq. ft., Sardar Market, Near Railway Station, Vapi (E), Maharashtra	For a term of 33 months commencing from November 6, 2011 to August 6, 2014	<i>Amount of rent:</i> ₹ 7,000 <i>Security deposit:</i> ₹ 42,000	Depot
14.	<i>Licensor:</i> Rajnikumar Reddy	Premises No.1-8-506/44, admeasuring 1,500 sq. ft., Prakash Nagar, Begumpath, Airport, Secundrabad - 16	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 18,000 <i>Security deposit:</i> ₹ 108,000	Depot
15.	<i>Licensor:</i> Sakharam Nana Kharul	Premises admeasuring 950 sq. ft., Ooda Road, Kharjul Mala, Near Ganpati Temple and Railway Station, Nasik – 422101	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 5,200 <i>Security deposit:</i> ₹ 31,200	Depot
16.	<i>Licensor:</i> Chandrakant Chatiar	Premises No.3, admeasuring 700 sq. ft., Kuchpura House, Near Mohan Hotel, Shar Baug, Lucknow	For a term of 33 months commencing from October 25, 2011 to July 25, 2014	<i>Amount of rent:</i> ₹ 9,850 <i>Security deposit:</i> ₹ 59,100	Depot
17.	<i>Licensor:</i> P. K. Jain	Premises No.A-43, admeasuring 700 sq. ft., Sen Colony, Power House Road, Jaipur	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 9,500 <i>Security deposit:</i> ₹ 57,000	Depot
18.	<i>Licensor:</i> Noor Mohd Khan	Premises No.4/9, admeasuring 600 sq. ft., Nayapura, Topal Godown, Indore	For a term of 33 months commencing from November 4, 2011 to August 4, 2014	<i>Amount of rent:</i> ₹ 7,300 <i>Security deposit:</i> ₹ 43,800	Depot
19.	<i>Licensor:</i> Jitendra Singh	Premises No.A-1983, admeasuring 1,800 sq. ft., Gali No.8, Pahadganj, Delhi 110055	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 22,000 <i>Security deposit:</i> ₹ 132,000	Depot
20.	<i>Licensor:</i> Umesh Narayan Shetty	Premises No.14, admeasuring 1,000 sq. ft., Imperial Complex, Agmore, Chennai	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 20,000 <i>Security deposit:</i> ₹ 120,000	Depot
21.	<i>Licensor:</i> Sanjeev Pathan	Premises No.9, admeasuring 300 sq. ft., Firoz Complex, Purshotam Nagar Road,	For a term of 33 months commencing from November 8, 2011	<i>Amount of rent:</i> ₹ 4,200 <i>Security deposit:</i> ₹ 25,200	Depot

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
		Baroda	to August 8, 2014		
22.	<i>Licensors:</i> Zakir Mohd Mohd Sharif Chippa	Premises No.3, admeasuring 850 sq. ft., Opposite Preet Petroleum, Near Ambedkar Hall, Saraspur Road, Ahmedabad – 380018	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 11,500 <i>Security deposit:</i> ₹ 69,000	Depot
23.	<i>Licensors:</i> Ramchandra Sitaram Patil	Premises admeasuring 4,000 sq. ft., Vishnukrupa Housing Society, Somvar Peth, Nageshwar Road, Pune – 411011	For a term of 33 months commencing from November 5, 2011 to August 5, 2014	<i>Amount of rent:</i> ₹ 22,500 <i>Security deposit:</i> ₹ 135,000	Depot
24.	<i>Licensors:</i> Jallil Bhai Ansari	Premises No.2, admeasuring 550 sq. ft., Silk Mill Colony, Railway Station backside, Aurangabad	For a term of 33 months commencing from November 8, 2011 to August 8, 2014	<i>Amount of rent:</i> ₹ 5,200 <i>Security deposit:</i> ₹ 31,200	Depot
25.	<i>Lessor:</i> Anil Kumar Abrol	Premises No. G – 45 admeasuring 274 sq. ft., Vardhman Diamond Plaza, Plot No. 3, DDA Community Centre, Desh Bandhu Gupta Road, Motia Khan, Pahar Ganj, New Delhi – 110055.	For a term of 22 months commencing from January 1, 2011 to October 31, 2013	<i>Amount of rent:</i> ₹ 15,500 <i>Security Deposit:</i> ₹ 50,000	Depot
26.	<i>Licensors:</i> Sanjay Kumar Singh	Premises admeasuring 1000 sq. ft, No 7, Gandhigarh Palia, Kanakpura Main Road, Bangalore – 5600 062.	For a term of 36 months commencing from November 10, 2011 to November 10, 2014.	<i>Amount of rent:</i> ₹ 20,000 <i>Security Deposit:</i> ₹ 120,000	Depot
27.	<i>Licensors:</i> Mr. Nitin Prabhudas Somani & Mrs. Sonal Nitin Somani	Premises admeasuring 5,600 sq. ft., Survey No and Gat No 1119, Ghotwade Village, Next to Hinjwadi IT Park, Taluka – Mulshi, Dist – Pune.	For a term of 33 months commencing from November 10, 2011 to August 10, 2014.	<i>Amount of rent:</i> ₹ 41,600 <i>Security Deposit:</i> ₹ 249,600	Depot
28.	<i>Licensors:</i> Mr. Nitin Prabhudas Somani and Mrs. Sonal Nitin Somani	Premises admeasuring 10,500 sq. ft., Agarwal Plaza, Shop No 5, Sector 2, Plot No 69, Kopar Khirane, New Mumbai.	For a term of 33 months commencing from November 10, 2011 to August 10, 2014.	<i>Amount of rent:</i> ₹ 25,500 <i>Security Deposit:</i> ₹ 153,000	Depot
29.	<i>Licensors:</i> Mr. Sayam Dattaram Sawant	Premises admeasuring 8,000 sq. ft., Building No 55, Gala No 10, Indian Corporation, Dapoda, Thane, Bhiwandi.	For a term of 33 months commencing from November 5, 2011 to August 5, 2014.	<i>Amount of rent:</i> ₹ 79,500 <i>Security Deposit:</i> ₹ 477,000	Depot
30.	<i>Licensors:</i> Mr. William D'Souza.	Premises admeasuring 300 sq. ft., 31, Januvarry Road, Near Tourist Hostel, Panji, Goa.	For a term of 33 months commencing from November 5, 2011	<i>Amount of rent:</i> ₹ 4,100 <i>Security Deposit:</i> ₹ 24,000	Depot

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
			to August 5, 2014.		
31.	<i>Licensors:</i> Mr. Rajendra Varma.	Premises admeasuring 300 sq. ft., C-1, Tyagi Road, Opp Sangam Hotel, Dehradun – 248001.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 3,000 <i>Security Deposit:</i> ₹ 18,000	Depot
32.	<i>Licensors:</i> Mr. Harvinder Balwinder Sidhu.	Premises admeasuring 300 sq. ft., House No 1043, Street No 1, Manohar Nagar, Firozpur Line, Ludhiana.	For a term of 33 months commencing from November 11, 2011 to August 11, 2014.	<i>Amount of rent:</i> ₹ 3,900 <i>Security Deposit:</i> ₹ 23,400	Depot
33.	<i>Licensors:</i> Mr. Bharat Singh.	Premises admeasuring 700 sq. ft., Kate Factory Road, Mahatma Gandhi Nagar, Rajendra Nagar, Shivpuri Bhavan, Patna.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 5,000 <i>Security Deposit:</i> ₹ 30,000	Depot
34.	<i>Licensors:</i> Mr. Rajendra Kumar Bose.	Premises admeasuring 200 sq. ft., Behind Dream Complex, Court Compound, Circul Road, Ranchi.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 2,000 <i>Security Deposit:</i> ₹ 12,000	Depot
35.	<i>Licensors:</i> Mr. Hareram Salotra.	Premises admeasuring 200 sq. ft., 375/A, Golmarket, Gandhi Nagar, Jammu - 180004.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 3,000 <i>Security Deposit:</i> ₹ 18,000	Depot
36.	<i>Licensors:</i> Mr. Mohd Aslam.	Premises admeasuring 300 sq. ft., No Gr Floor No 2, Prakash Nagar, G Sector, H No 28, Sayajram Masjid, Jodhpur.	For a term of 33 months commencing from November 8, 2011 to August 8, 2014.	<i>Amount of rent:</i> ₹ 5,200 <i>Security Deposit:</i> ₹ 31,200	Depot
37.	<i>Licensors:</i> Mr. Chotelal Kamti.	Premises admeasuring 300 sq. ft., RR Road, 101/B Post: Prahadnagar, Near Diesel Loco Sheet, Main Gate, Dharamnagar, Siliguri – 734403.	For a term of 33 months commencing from November 8, 2011 to August 8, 2014.	<i>Amount of rent:</i> ₹ 4,000 <i>Security Deposit:</i> ₹ 24,000	Depot
38.	<i>Licensors:</i> Nitin Somani & Sons (HUF).	Premises admeasuring 7,500 sq. Ft., B1 – 204, Boomerang, Near Oberoi Garden, Chandivali, Andheri (East), Mumbai – 400072.	For a term of 33 months commencing from November 11, 2011 to August 11, 2014.	<i>Amount of rent:</i> ₹ 40,500 <i>Security Deposit:</i> ₹ 243,000	Office / Depot
39.	<i>Licensors:</i> Mr. Balwinder Singh.	Premises admeasuring 250 sq. ft., 302, Santosh Nagar, Post Office Kashapura, Jalandhar - 253.	For a term of 33 months commencing from November 19, 2011 to August 19, 2014.	<i>Amount of rent:</i> ₹ 3,200 <i>Security Deposit:</i> ₹ 19,200	Depot

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
40.	<i>Lessor:</i> Mr. Prashant Das.	Premises admeasuring 300 sq. ft., 60, Budheshwari Colony, Cuttack Road, Bhubneshwar - 6.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 4,000 <i>Security Deposit:</i> ₹ 24,000	Depot
41.	<i>Lessor:</i> Mr. Ramesh Singh.	Premises admeasuring 300 sq. ft., Gitadi Walpatti, Thana Bagpera, Jamshedpur – 831 002.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 4,100 <i>Security Deposit:</i> ₹ 24,600	Depot
42.	<i>Lessor:</i> Mr. Dilip Chand Choutala.	Premises admeasuring 900 sq. ft., 5/1/8B, Emro Dyna, Chandigarh.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 10,500 <i>Security Deposit:</i> ₹ 63,000	Depot
43.	<i>Lessor:</i> Mr. Subhash Poddar.	Premises admeasuring 300 sq. ft., KC Sen Road, Mavakali, Pathan Nagar Bazar, Guwahati – 781 008.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 7,800 <i>Security Deposit:</i> ₹ 46,800	Depot
44.	<i>Lessor:</i> Mr. Jagdigh Prasad Singh.	Premises admeasuring 250 sq. ft., 8/153, H, New Lowyars Colony, Agra.	For a term of 33 months commencing from November 18, 2011 to August 18, 2014.	<i>Amount of rent:</i> ₹ 3,000 <i>Security Deposit:</i> ₹ 18,000	Depot
45.	<i>Lessor:</i> Mr. Hansraj Gupta.	Premises admeasuring 180 sq. ft., Shop No. 14, New Adarsha Nagar, WE Highway, Near Cama Industrial Estate, Goregaon (E), Mumbai – 400102	For a term of 11 months commencing from March 10, 2012 to January 10, 2013.	<i>Amount of rent:</i> ₹ 10,000 <i>Security Deposit:</i> ₹ 50,000	Depot
46.	<i>Lessor:</i> Mr. Ramesh Laxman Kadam.	Premises admeasuring 350 sq. ft., Gala No. 4, Ground Floor, Agarwal Shopping Centre, Sativali Road, Vasai Road (E), Dist. Thane.	For a term of 11 months commencing from March 25, 2012 to February 24, 2013.	<i>Amount of rent:</i> ₹ 8,750 <i>Security Deposit:</i> ₹ 50,000	Depot
47.	<i>Lessor:</i> Mr. Terry Mascarenhas.	Premises admeasuring 126 sq. ft., 16, Bluemount, C. S. T. Road, Kalina, Santacruz (E), Mumbai - 400098.	For a term of 11 months commencing from March 12, 2012 to February 12, 2013.	<i>Amount of rent:</i> ₹ 8,000 <i>Security Deposit:</i> ₹ 25,000	Depot

KEY INDUSTRY REGULATIONS AND POLICIES

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

Our Company is governed by various legislations as applicable to it. Some of the key regulations applicable to our Company are summarized hereunder:

TAX RELATED LEGISLATIONS

Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which such a duty is imposed is contained in the Central Excise Tariff Act, 1985. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

Value Added Tax

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

Income Tax Act, 1961

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

Customs Act, 1962

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

Central Sales Tax Act, 1956

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

LAWS RELATING TO THE TRANSPORTATION BUSINESS

Carriers Act, 1865 (“Carriers Act”)

The Carriers Act relates to the rights and liabilities of common carriers. The Carriers Act defines a “common carrier” as a person, other than the Government, engaged in the business of transporting for hire property from place to place, by land or inland navigation, for all persons indiscriminately. A common carrier who carries his customer's goods can limit his liability in all respects save and except against negligence and criminal act on his part or on the part of his servants and agents. The servants or the agent of the carrier are those who handle, store,

carry and effect the delivery of the goods to the consignee. It includes lorry operators or drivers to whom the carrier entrusts goods for carriage and also includes agents or associates. Whenever the loss or damage is caused by negligence or criminal act, the owner is entitled to recover the damages for non-delivery of the goods and it is for the carrier to prove the absence of criminal act or negligence on his part. Where a loss or damage to the consignor's property exceeds rupees one hundred and where the consignor has delivered the consignment to the carrier for carriage and when the consignor has declared value and description of the property and the payment is made to the carrier in a manner provided by this act, such consignor shall be entitled not only to recover the value of the loss or damage suffered by him from the carrier but also such freight or hire charges as actually paid to the carrier in consideration of such risks to be incurred. The Carriage by Road Act, 2007 has been notified and is to come into force on March 1, 2011. A summary of which is provided below.

Carriage by Road Act, 2007 (“Carriage by Road Act”)

The Carriage by Road Act was notified on September 29, 2007 and on coming into force, will repeal the Carriers Act, 1865. The Carriage by Road Act has been enacted for the regulation of common carriers, limiting their liability and declaration of value of goods delivered to them to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts of themselves, their servants or agents and for matters connected therewith. No person can engage in the business of a common carrier, unless he has a certificate of registration. A “common carrier” has been defined under the Carriage by Road Act as a person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorised transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

Motor Vehicles Act, 1988 (“Motor Vehicles Act”)

The Motor Vehicles Act imposes the liability on every owner or person responsible for a motor vehicle to ensure that every person who drives the motor vehicle holds an effective driving license. It also mandates that every conductor of a stage carrier should hold an effective conductor's license. Under the Motor Vehicles Act, the owner of the motor vehicle also bears the responsibility to ensure that the vehicle is registered in accordance with the provisions of the Motor Vehicles Act and the certificate of registration of the vehicle has not been suspended or cancelled and the vehicle carries a registration mark displayed in the prescribed manner. No motor vehicle can be used as a transport vehicle unless the owner of the vehicle has obtained the required permit granted or countersigned by a Regional or State Transport Authority or any prescribed authority authorizing him the use of the vehicle in that place in the manner in which the vehicle is being used. The Motor Vehicles Act provides that where death or permanent disablement of any person has resulted from an accident arising out of the use of motor vehicle, the owner of the vehicle is liable to pay compensation. Claims for compensation in respect of accidents involving the death of, or bodily injury to, persons arising out of the use of motor vehicles, or damages to any property of a third party so arising can be adjudicated before the Motor Accidents Claims Tribunal.

The Central Motor Vehicle Rules, 1989 (“Central Motor Vehicle Rules”)

The Central Motor Vehicle Rules provides the rules and procedures for the licensing of drivers, driving schools; registration of motor vehicles and control of transport vehicles through issue of tourist and national permits. It also lays down rules concerning the construction, equipment and maintenance of motor vehicles and insurance of motor vehicles against third party risks.

LAWS APPLICABLE TO COMPANIES ENGAGED IN THE COURIER BUSINESS

There is no specific legislation that is applicable to the companies engaged in the courier business. The courier business is a service which is taxed under the service tax regime and was made taxable with effect from November 1, 1996 when the Finance Act, 1996 introduced courier services as taxable services. Section 65(105) (f) of the Finance Act, 1996 defined courier service as “service provided or to be provided to a customer, by a courier agency in relation to door-to-door transportation of time-sensitive documents, goods or articles.” Further, a “courier agency” is defined in Section 65(33) as “a commercial concern engaged in the door-to door transportation of time-sensitive documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles.” The charges for certain facilities

undertaken by courier agencies and relatable to door to door transportation such as integrated transportation, warehousing, packing and inventory management, are also includible in the gross amount for payment of service tax. The service provider, that is, the courier agency, is required to pay the service tax. Accordingly, the courier agency is also required to register itself with the concerned Superintendent of Central Excise. The Indian Post Office (Amendment) Bill, 2002, which seeks to amend the Indian Post Office Act, 1898 has not yet come into force, has attempted to introduce substantial changes in this area. It primarily enables the Central Government to frame rules for grant of registration and operation of couriers on prescribed terms and conditions and in consideration of prescribed fees. In brief, it seeks to bring couriers under the purview of provisions of the Indian Post Office Act as are applicable to transmission of articles by post. Additionally, if the Bill is enacted, all courier companies would be barred from carrying letters, to be defined as packets below a certain weight. The draft Bill proposes to vest the government's postal department with the exclusive privilege of carrying all letters.

The Carriage by Air Act, 1972 ("Carriage by Air Act")

The Carriage by Air Act came into force to give effect to the Convention for the unification of certain rules relating to international carriage by air signed at Warsaw on the 12th of October, 1929 as amended by the 1955 Hague Protocol. The rules in the First Schedule of the Act, deal with the rights and liabilities of carriers, passengers, consignors, consignees and other persons. The Central Government may, by notification in the Official Gazette, apply the rules contained in the First Schedule and any provision of section 3 or section 5 or section 6 to such carriage by air, not being international carriage by air as defined in the First Schedule.

EMPLOYMENT AND LABOUR LAWS

Payment of Wages Act, 1936

The Payment of Wages Act 1936 ("PWA") makes provisions regarding the date by which wages are to be paid, when it will be paid and what deductions can be made from the wages of the workers.

Payment of Bonus Act, 1965

The Payment of Bonus Act 1965 is applicable to all establishments employing 20 or more employees. The said Act provides for payments of annual bonus subject to a minimum of 8.33% of wages and maximum of 20% of wages to employees drawing ₹ 3500/- per month or less. The bonus to be paid to employees getting ₹ 2500/- per month or above upto ₹ 3500/- per month is worked out by taking wages as ₹ 2500/- per month only. The Act does not apply to certain establishments. The newly set-up establishments are exempted for five years in certain circumstances. Some of the State Governments have reduced the employment size from 20 to 10 for the purpose of applicability of this Act.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to providing provident funds for the benefit of employees in factories and other establishments. It provides for the institution of provident funds and pension funds for employees in establishments, which employ more than 20 persons, and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees' Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees' Family Pension Scheme". The funds constituted under these schemes consist of contributions from both the employer and the employees, in the manner specified in the statute. The EPFA prescribes penalties for avoiding payments required to be made under the above-mentioned schemes.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("PGA") was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years:

- (a) on his/her superannuation;
- (b) on his/her retirement or resignation;
- (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The PGA establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway Company; every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months; and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may, by notification, specify. Penalties are prescribed for non-compliance with statutory provisions.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Workmen’s Compensation Act, 1923

The Workmen’s Compensation Act, 1923 (“WCA”) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Maternity Benefit Act, 1951

The Maternity Benefit Act, 1951 provides for leave and some other benefits to women employees in case of confinement or miscarriage etc.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith.

Industrial Disputes Act, 1947

The Industrial Disputes Act 1947 lays down the machinery and procedure for investigation, settlement and resolution of Industrial disputes in what situations a strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour is prohibited in Building and Construction Industry.

Motor Transport Workers Act, 1961 (“Motor Transport Workers Act”)

The Motor Transport Workers Act provides for the welfare of motor transport workers and to regulate the conditions of their work. It applies to every motor transport undertaking employing five or more motor transport workers. Section 2(g) defines ‘Motor transport undertaking’ as a motor transport undertaking engaged in carrying passengers or goods or both by road for hire or reward, and includes a private carrier. The Motor Transport Workers Act prescribes that such motor transport undertakings should be registered under the Act. A ‘motor transport worker’ means a person who is employed in a motor transport undertaking directly or through an agency, whether for wages or not, to work in a professional capacity on a transport vehicle or to attend to

duties in connection with the arrival, departure, loading or unloading of such transport vehicle and includes a driver, conductor, cleaner, station staff, line checking staff, booking clerk, cash clerk, depot clerk, time-keeper, watchman or attendant. The Motor Transport Workers Act lays down detailed provisions for regulating work hours, payment of wages and protection of the welfare and health of the employees. Any contravention of a provision regarding employment of motor transport workers is punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both, and in the case of a continuing contravention with an additional fine which may extend to seventy-five rupees for every day during which such contravention continues after conviction for the first such contravention.

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

The CLRA requires establishments that employ or employed on any day in the previous twelve months, twenty 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 in relation to 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.

Employees’ State Insurance Act, 1948 (“ESI Act”)

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

Shops and Establishment Act

The respective State Governments have the power to make laws on the subject matter. In exercise of these powers, various State Governments have enacted the shops and establishments act which is applicable to the shops and commercial establishments within the respective states as may be specified by the Government. Each state has its own legislation on shops and establishments which lay down inter alia, guidelines for regulating the hours of work, payment of wages, leave holidays, terms of service, overtime and other conditions of work of persons employed in shops, commercial establishments etc. and to discourage the malpractices by employers towards their employees. The Bombay Shops and Establishment Act, 1948 governs the Company as the Company has its registered office in the city of Mumbai.

WAREHOUSE LAWS

Warehousing (Regulatory and Development) Act, 2007 and Warehousing Development and Regulatory Authority (WDRA) Rules

Warehouses in India are regulated and governed under The Warehousing (Regulatory and Development) Act, 2007. The main objective of this Act is to make provisions for the development and regulation of warehouses, negotiability of warehouse receipts, establishment of warehousing development and regulatory authority and for matters concerned therewith or incidental thereto. The Act gives directions on Registration, Warehouseman, his duties and liabilities, Issuing warehouse receipts, Powers and Authority, Offences under the act and Penalties.

The Act makes it compulsory for a person to carry on warehousing business as a business and issue a negotiable receipt to obtain a certificate of registration. The warehouseman is required to issue the receipts only ascertaining quantity, quality or grade and other particulars as may be mentioned in the receipt. This section also direct on issuance of duplicate receipt on loss or damage of the original. Some of the authorities and powers conferred under the Act are granting registration and cancellation/renewal of registration, specifying

qualification of warehouseman, and regulating rates, advantages, terms and conditions that may be offered by warehouseman in respect of warehousing business.

Knowing issue receipt without receiving delivery, failing to ascertain quality and quantity, Failing to surrender negotiable receipt by depositor or endorsee and payment of all his lawful charges and cancelation of encumbrances endorsed on the receipt to deliver the goods represented by the receipt are some of the offences under the act. The offences committed under this Act shall be punishable with imprisonment of a term of up to three years or with fine of ₹ 100,000 or both.

INTELLECTUAL PROPOERTY LEGISLATIONS

Trademarks

Trademarks have been defined by TRIPs as any sign, or any combination of signs capable of distinguishing the goods or services of one undertaking from those of other undertakings. Such distinguishing marks constitute subject matter under TRIPs. TRIPs provide that initial registration and each renewal of registration shall be for a term of not less than ten years and the registration shall be renewable indefinitely. Compulsory licensing of trademarks is not permitted. In light of the changes in trade and commercial practices, globalisation of trade, the need for simplification and harmonisation of trademark registration systems etc., the Indian Parliament undertook a comprehensive review of the Trade and Merchandise Marks Act, 1958 and replaced the same with the a new legislation viz. The Trade Marks Act, 1999. This Act makes trademarks law compatible with TRIPs and also harmonises it with international systems and practices.

FOREIGN INVESTMENT

For details in relation to the regulations regarding foreign investment, see section titled “Restrictions on Foreign Ownership of Indian Securities” on page no. 242 of this DRHP.

HISTORY AND CORPORATE STRUCTURE

Our History

Our Company was incorporated as Fast Train Cargo Private Limited on November 18, 2005.

One of our Promoters, Mr. Nitin Somani has been associated with the Logistics Industry since 1990. He commenced business of courier and logistics in the year 1990 in a proprietary concern called “M/s. Fast Courier”.

Initially, i.e. from 1990 to 2001, Mr. Nitin Somani was engaged in the business of delivery of parcels through passenger trains. The business activity during that period was limited to the parcel courier services only. In the year 2001-02, he entered into the cargo business by expanding his proprietary concern under the name of “Fast Courier & Cargo”. Our Promoter Mrs. Sonal Somani also entered the Logistics business in the year 2001-02 with a proprietary concern “M/s. Fast Train Cargo” in the same year.

With the growing scope of business and sighting huge opportunity in the logistics sector, in 2005-2006, our Promoters incorporated “Shree Fast Courier Pvt. Ltd.”, “Fast Air Cargo Pvt. Ltd.” and “Fast Train Cargo Pvt. Ltd.”, for transportation of cargo via road, air and rail respectively, thus covering the major modes of delivery of Cargo.

Out of the above companies, “Fast Train Cargo Pvt. Ltd.” showed better growth. As a result of this, our Promoters slowly consolidated the air and road cargo business in Fast Train Cargo Pvt. Ltd. Our Company is constantly in the growth phase and we have increased our fleet of vehicles and depots manifold since 2005. From 5 depots in 2005, our Company today has 45 depots across various States giving us a pan-India presence. Our Company has its registered office in Mumbai. Our Company currently maintains a fleet of 71 Trucks of varying load capacities.

For further details regarding the business of our Company, please refer to the chapter “Our Business” on page no. 71 of this DRHP.

The status of the Company was changed to public limited company and the name of our Company was changed to Fast Train Cargo Limited on November 11, 2011. The fresh certificate of incorporation consequent to the change of name was granted to our Company on December 14, 2011, by the Registrar of Companies, Maharashtra.

Changes in Registered Office of our Company:

Our Registered office is located at Victoria House, Victoria Mill Compound, Office No. 1A, Opposite Bombay Dyeing Mills, P.B. Marg, Lower Parel, Mumbai - 400013, Maharashtra, India, and there have been no changes in registered office of our Company since incorporation.

Major Events in Relation to our Company

Month & Year	Events
November 2005	Incorporation of our Company and commencement of rail cargo business
January 2006	Commenced air cargo business
2007	Reached a milestone of 20 depots
March 24, 2008	Increase in Authorised Share Capital from ₹ 100,000 to ₹ 1,000,000
October 2008	Started road cargo business
2009	Reached a milestone of 40 depots
May 2010	Commenced value added service of packaging
September 2011	Increase in Authorised Share Capital from ₹ 1,000,000 to ₹ 125,000,000
December 2011	Reached a total fleet size of 71 trucks

Main Objects of our Company

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

1. To carry on the business of Supply and Service, Cargo, Carriage, Clearing & Forwarding, Transportation, Delivery of goods in India and Abroad and for this purpose to carry on the business of public carriers, transporters and carriers of goods, passengers, merchandise, documents, parcels, services of pickup and delivery of documents, parcels, door to door/desk service of small, medium, bulk; odd or any size or type of consignments of all types of goods and merchandise including parcels, documents, refrigerated and frozen goods, public issue materials and household articles by railways, own Goods Transport Vehicles, and/or by leased or hired Goods Transport Vehicles, own aircrafts and/or by leased or hired aircrafts and to acquire permits for operating own or leased or hired vehicles, aircrafts on any route in India or in any part of the world and To undertake and carry on the business of loading and unloading forwarding and clearing agents, warehousemen, macadam's and care men for and on behalf of owners of goods, luggage, parcels, materials, articles, commodities, live-stock & other movables of all kinds and descriptions and to carry on the business of storage, warehousing, transportation and handling of all kinds of cargo, whether containerized or not, from any port station to any container freight station or to any inland container depot and freight carriers, transportation of goods, animals or passengers from place to place either by land or by air or sea or partly by sea and/or land and/or air, whether by means of motor vehicles and/or aero planes or other means of transport, to establish and to construct and operate container siding and to own, Lease, use container and deploy the container in the business of international freight forwarding, by means of road, sea, transport and multimodal transport, and to carry on the business of clearing & shipping agent, hirers, fleet owners of trucks, trailers, cranes, bulldozers and all types of earth moving equipments and machines and To give on rent the cargo boxes, containers, to provide goods and materials packaging, forwarding, transportation, movement, transmission service to trade industry, commerce anywhere in the world subject to law of land. To undertake and carry on the business of carriers, ship/vessel managers, tug owners, freight brokers, freight contractors, carriers of goods, animals and passengers by land, air and water, transport haulage and general contractors, barge owners, and wharfingers and to provide service of an end-to-end logistics service, 3PL and 4PL Logistics services to customers, in India and abroad.

Amendments to our Memorandum of Association

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

Date	Nature of Amendment
March 24, 2008	Increase in Authorised Share Capital from ₹ 100,000 to ₹ 1,000,000
September 5, 2011	Increase in Authorised Share Capital from ₹ 1,000,000 to ₹ 125,000,000
December 14, 2011	Fresh Certificate of Incorporation subsequent to status change to Public Limited.
December 20, 2011	Alteration of the Sub-Clause 1 of the Main Object clause III of the Memorandum of Association of the Company

Total number of our shareholders

The total number of (pre-issue) shareholders is 15.

Holding and Subsidiary companies

Our Company does not have any holding or subsidiary company as on the date of filing of this Draft Red Herring Prospectus.

Shareholders' Agreements

Our Company does not have any Shareholders' Agreements existing as on the date of filing this DRHP.

Material / Other Agreements

Our Company does not have any Material / Other Agreements existing as on the date of filing this DRHP, apart from the following:

Our Company has executed a Development agreement on February 13, 2007 with Prahlad Sakharam Gaekwad (Transferor) and Leela Prahlad Gaekwad, Praveen Prahlad Gaekwad, Pramod Prahlad Gaekwad, Pratibha Prahlad Gaekwad (Confirming Parties) (“**Agreement**”)

The said Agreement was executed in respect of all that piece and parcel of land bearing Survey No. 25, Hissa No. 4/3, Taluka Mulshi, Pune admeasuring H 0.39R and bounded on the east by Punavle – Hinjewadi Road (“Land”) for a consideration of ₹ 4,000,000.

The salient features of the said Agreement are:

- The development rights transferred to the Company are irrevocable;
- The Company shall be at the liberty to sell/rent/use at its discretion and for such amounts, the area developed by it, as deemed proper by it;
- The Company shall assist to form a Society or Association of prospective owners of the units in the constructed property.

Financial or Strategic Partners

Our Company does not have any financial or strategic partners as on the date of filing of this DRHP.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 Directors and not more than 12 Directors. We currently have 9 Directors on our Board.

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

Name, Father's Name, Address, Occupation, Term and DIN	Qualification	Age	Designation and Status	Other Directorships
Mr. Nitin Prabhudas Somani S/o: Mr. Prabhudas Khimji Somani Address: 703, Beau Monde, Appasaheb Mhatre Marg, Prabhadevi, Mumbai – 400 025. Date of appointment as Director: November 18, 2005 Date of appointment as Chairman & Managing Director: December 14, 2011 Term as Managing Director: upto December 13, 2016 Occupation: Business DIN: 00841378	Passed Higher Secondary Certificate Examinations	42	Chairman and Managing Director, Non – Independent Director	<ul style="list-style-type: none"> • Hasti Finance Ltd. • Shree Fast Courier and Cargo Pvt. Ltd. • Fast Air Cargo Pvt. Ltd. • Fast Realty Private Limited • Shabd Brahma Developers Pvt. Ltd. • First International Hotels Pvt. Ltd. • Focal Courier and Cargo Pvt. Ltd. • Eswar Airfreight Pvt. Ltd. • NST Realty Private Limited • Kisan Commodities Pvt. Ltd. • Genio Kids Education India Pvt. Ltd. • S Be Developers Pvt. Ltd.
Mrs. Sonal Nitin Somani D/o: Mr. Vinodrai Maganlal Thakkar Address: 703, Beau Monde, Appasaheb Mhatre Marg, Prabhadevi, Mumbai – 400 025. Date of appointment as Director: November 18, 2005 Date of appointment as Whole time Director: December 14, 2011 Term as Whole time Director: upto December 13, 2016 Occupation: Business DIN: 01216993	Passed Higher Secondary Certificate examinations	38	Whole time Director, Non – Independent Director	<ul style="list-style-type: none"> • Hasti Finance Limited • Shree Fast Courier and Cargo Pvt. Ltd. • Fast Realty Pvt. Ltd. • Fenix Software Solutions Pvt. Ltd. • First International Hotels Pvt. Ltd. • Focal Courier and Cargo Pvt. Ltd. • Kisan Commodities Pvt. Ltd. • Fast Agrifarms Pvt. Ltd. • Genio Kids Education India Pvt. Ltd.
Mr. Manoj Prabhudas Somani S/o: Mr. Prabhudas Khimji Somani Address: D – 2, Plot No. 160, Madhuban Society, Gorai No. 2, Borivali (West), Mumbai – 400 092. Date of appointment as Director: January 25, 2007 Date of appointment as Whole time Director: December 14, 2011 Term as Whole time Director: upto December 13, 2016 Occupation: Business DIN: 01203481	Passed Higher Secondary Certificate examinations	29	Whole time Director, Non – Independent Director	<ul style="list-style-type: none"> • Fast Air Cargo Pvt. Ltd. • Shabd Brahma Developers Pvt. Ltd. • Fenix Software Solutions Pvt. Ltd. • Somani Realty Pvt. Ltd. • Fast Agrifarms Pvt. Ltd. • S Be Developers Pvt. Ltd.

Mr. Salim Ismail Shaikh S/o: Mr. Ismail Mehtaab Shaikh Address: Flat no. 3, Ground floor, Elegant Home, Opposite Konark Puram, Kondwa, Khurd, Pune – 411 048. Date of appointment as Director: October 18, 2011 Date of appointment as Whole time Director: December 14, 2011 Term as Whole time Director: upto December 13, 2016 Occupation: Business DIN: 01361459	Under Matriculation	40	Whole time Director – Independent Director	<ul style="list-style-type: none"> • Hasti Finance Ltd. • Eswar Air Freight Pvt. Ltd. • Fortune Transport Services Pvt. Ltd.
Mr. Suresh Shivappa Nagral S/o: Mr. Shivappa Bhimappa Nagral Address: B/804, Krishna Residency, Sunder Nagar, Malad (West), Mumbai – 400 064. Date of appointment as Additional Director: October 18, 2011 Term as Director: Until next AGM Occupation: Professional DIN: 00436943	Chartered Accountant	43	Independent Director, Non-Executive Director	<ul style="list-style-type: none"> • Sainoor Management Consultancy Pvt. Ltd. • Trident Realty Homes Pvt. Ltd. • A & N Telecomm Pvt. Ltd.
Mr. Vinay S. Choubey S/o: Mr. Shantanand Choubey Address: Flat No. 5/5, Plot No. 1, Lotus Co - op Society, Bhawani Nagar, Nr. Marol Maroshi Bus Stand, Andheri (East), Mumbai – 400 059. Date of appointment as Additional Director: October 18, 2011 Term as Director: Until next AGM Occupation: Service DIN: 03410653	Diploma in Management (Marketing)	42	Independent Director, Non-Executive Director	NIL
Mr. Nareshkumar Purshottam Sharma S/o: Mr. Purushottam Lal Sharma Address: H/301, Neelkamal Gruh CHS, Near Chincholi Phatak, Malad (W), Mumbai – 400 064. Date of appointment as Additional Director: December 16, 2011 Term as Director: Until next AGM Occupation: Business DIN: 02909455	Bachelor of Commerce	39	Independent Director, Non-Executive Director	<ul style="list-style-type: none"> • Future Arts Pvt. Ltd. • TRS Express Logistics Pvt. Ltd. • Shirish Express Logistics Pvt. Ltd.
Mr. Mohammad Kasim M. Shaikh S/o: Mr. Maqbool Ahmed S. Shaikh Address: Anwar Chawl, Sampai Nagar, 1/5, Scout Camp Road, Behram Baug, Jogeshwari (W), Mumbai – 400 102. Date of appointment as Additional Director: December 26, 2011 Term as Director: Until next AGM Occupation: Business DIN: 05168621	Bachelor of Commerce	32	Independent Director, Non-Executive Director	NIL

Mr. Mehul Nilesh Shah S/o: Mr. Nilesh Kantilal Shah Address: Building No. 38, Room No. 1003, Adarsh Nagar Colony, Near Centuary Bazar, Worli, Mumbai – 400 030. Date of appointment as Additional Director: October 18, 2011 Term as Director: Until next AGM Occupation: Business DIN: 05118223	Matriculate	23	Independent Director, Non-Executive Director	NIL
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Notes:

None of the above mentioned Directors are on the RBI list of wilful defaulters as on the date of filing this DRHP.

None of our Directors hold or has held any directorship(s) in any listed company which have been / were delisted from any of the Stock Exchanges.

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

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

All the Directors of our Company are Indian nationals. There is no arrangement or understanding with major shareholders, customers, supplier or others, pursuant, to which any of the above mentioned Directors were selected as a director or member of the senior management.

There is no service contract entered into by the Directors with the issuer Company providing for benefits upon termination of employment.

BRIEF BIOGRAPHIES OF OUR DIRECTORS**Mr. Nitin Prabhudas Somani**

Mr. Nitin Prabhudas Somani, aged 42 years, is the Chairman & Managing Director of our Company. He has completed his Higher Secondary Certification examination from the Board of High School & Intermediate Education, U. P. in the year 2004. He has 22 years of experience in the logistics industry. He started the business of logistics in the year 1990 with a proprietary concern M/s. Fast Courier and Cargo. As the Chairman & Managing Director of our Company, he is responsible for the overall growth and development of our Company.

Mrs. Sonal Nitin Somani

Mrs. Sonal Nitin Somani, aged 38 years is the Whole time Director of our Company. She has passed her Higher Secondary Certificate examinations from the State Board of Secondary and Higher Secondary Education, Pune (Maharashtra) in the year 1991. She has 11 years of experience in the logistics industry. She started her career in the field of logistics with a proprietary firm M/s. Fast Train Cargo. As a Whole time Director of our Company, she is responsible for business planning and policy formulation in the Company.

Mr. Manoj Prabhudas Somani

Mr. Manoj Prabhudas Somani, aged 29 years is the Whole time Director of our Company. He has passed his Higher Secondary Certificate examinations from the State Board of Secondary and Higher Secondary Education, Pune (Maharashtra) in the year 2001. He has 8 years of experience in the logistics industry. As a Wholetime Director, his responsibilities includes primarily participating in the functioning of the business, managing the marketing department and performing functions such as research and report on external

opportunities, understanding current and potential customers, customer relationship management, planning and developing the marketing strategy and resolving customer queries.

Mr. Salim Ismail Shaikh

Mr. Salim Ismail Shaikh, aged 40 years is the Whole time Director of our Company. He has passed Standard nine examinations in the year 1988 and has 15 years of experience in the logistics industry. His work responsibilities primarily includes looking after the overall functioning of Business, acting within the authorised powers, resolving customer queries when needed, etc. Further, the Company's operations department is under his control including facility location and lay out design, Job design and work measurement, Demand forecasting, Planning and controlling operations, Materials management, Inventory control and management, Project Management, Maintenance management, Total Quality Management, Supply chain management.

Mr. Suresh Shivappa Nagaral

Mr. Suresh Shivappa Nagaral, aged 43 years is an Independent and Non – Executive Director of our Company. He is a Chartered Accountant by profession and was admitted as an Associate of the Institute of Chartered Accountants of India on August 26, 1992. He has fifteen years of experience in the areas such as carrying out Statutory Audit, Internal Audit, Branch Audit, Audit of Private Limited Companies, Charitable Trusts, firms and individuals, Concurrent Audit, Stock Audit of US AID Funds, etc.

Mr. Vinay Choubey

Mr. Vinay Choubey, aged 42 years is an Independent and Non – Executive Director of our Company. He obtained a Diploma in Management as well as an Advanced Diploma in Management from the All India Management Association, Centre for Management Education on February 21, 1999. He has 17 years of experience in the Logistics and Pharmaceutical industry.

Mr. Nareshkumar Purshottam Sharma

Mr. Nareshkumar Purshottam Sharma, aged 39 years is an Independent and Non – Executive Director of our Company. He completed his graduation in Commerce in the year 1993 from University of Rajasthan. He has been working in the Paper Print Industry since past 11 years i.e. from 1999-2010. In 2010, he started his Proprietorship firm named M/s. Bhavna Prints.

Mr. Mohammad Kasim M. Shaikh

Mr. Mohammad Kasim M. Shaikh, aged 32 years is an Independent and Non – Executive Director of our Company. He has obtained Bachelor of Commerce degree from the Mumbai University in the year 2003. He has an overall experience of 7 years as accountant and senior accountant in various firms and currently is a proprietor of M/s. Alisa Consultants, which was established in January 2010 and engaged in the practice of Sales Tax, Service tax, Provident Fund and ESIC and also accounting work of co-operative societies and small firms.

Mr. Mehul Nilesh Shah

Mr. Mehul Nilesh Shah, aged 23 years is an Independent and Non – Executive Director of our Company. He has completed his Matriculate from the Maharashtra Board, Pune in the year 2004. He has 3 years of experience in the business of tyres for cargo vehicles and is currently involved in the business of buying and selling of tyres.

RELATIONSHIP BETWEEN DIRECTORS

- Nitin Prabhudas Somani and Sonal Nitin Somani are related as husband and wife.
- Manoj Prabhudas Somani and Nitin Prabhudas Somani are brothers.

Save and except the above, none of our Directors have any family relationships.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per our Articles of Association, none of the Directors are required to hold any Qualification Shares in our Company. The Directors' Shareholding as on the date of the DRHP is as follows:

Sr. No.	Name of the Director	Number of Shares held	% of Holding (Pre Issue)
1.	Mr. Nitin Somani	23,40,000	42.55
2.	Mrs. Sonal Somani	23,40,000	42.55
3.	Mr. Manoj Prabhudas Somani	1,000	0.02
4.	Mr. Salim Ismail Shaikh	1,000	0.02
5.	Mr. Mehul Nilesh Shah	1,000	0.02

INTERESTS OF DIRECTORS

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

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this section "Our Management" or the section titled "Related Party Transactions" on page no. 152 of this Draft Red Herring Prospectus, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus. Our Company has taken properties on lease from our Promoter(s) within two years of the date of this DRHP, the details which are mentioned in the section "Properties" in the chapter of "Our Business" on page no. 71 of this DRHP.

REMUNERATION OF OUR DIRECTORS

Remuneration paid during the last Financial Year

Name of Director	Remuneration	Sitting Fees	Other Fees	Total
Mr. Nitin Somani	100,000	-	-	100,000
Mrs. Sonal Somani	80,000	-	-	80,000
Mr. Manoj Prabhudas Somani	80,000	-	-	80,000
Mr. Salim Ismail Shaikh	80,000	-	-	80,000
Mr. Suresh Shivappa Nagaral	-	10,000	-	10,000
Mr. Vinay Choubey	-	12,000	-	12,000
Mr. Nareshkumar Sharma	-	9,000	-	9,000
Mr. Mohammad Kasim M. Shaikh	-	2,000	-	2,000
Mr. Mehul Nilesh Shah	-	12,000	-	12,000

Mr. Nitin Prabhudas Somani, Chairman and Managing Director

Mr. Nitin Somani was appointed as our Chairman and Managing Director pursuant to section 269 and other applicable provisions of the Companies Act, 1956 for a period of 5 years with effect from December 14, 2011, pursuant to a resolution passed at Board meeting held on December 16, 2011 and the shareholders EGM held on December 20, 2011.

The board resolution dated December 16, 2011 and EGM dated December 20, 2011 provides the following remuneration package for Mr. Nitin Somani.

A. Basic terms of remuneration

Basic Salary	₹ 25,000/- per month with authority to the Board of Directors (which expression shall include a Committee thereof) to revise the basic salary from time to time taking into account the performance of the Company, subject however to a ceiling of ₹ 50,000/- per month.
Gas/Electricity	Actual expenditure upto a maximum of ₹ 60,000/- per annum
Medical Expenses	Reimbursement of medical expenses incurred in India and abroad (including insurance premium for medical and hospitalization policy, if any) on actual basis for self and family, subject to ceiling of one month's basic salary in a year or three months' basic salary over a period of three years.
Leave Travel Allowance	For self and family, once a year in accordance with rules of the Company
Club Fees	Membership of one club in India (including admission and membership fee).
Entertainment expenses and other business expenses	Entertainment, travelling and all other expenses incurred for the business of the Company shall be reimbursed as per rules of the Company. Reimbursement of travelling expenses of spouse accompanying the Chairman and Managing Director on any official trip as per Rules of the Company.
Car & Telephone	The Company shall provide car with driver, telephone at the residence of the Chairman and Managing Director and a mobile phone connection, for the Company's business.
PF Contribution	Contribution to Provident Fund shall be as per rules of the Company
Gratuity	Gratuity payable shall not exceed half a month's basic salary for each completed year of service
Superannuation	Contribution to Superannuation Fund, if any, shall be as per Rules of the Company.
Other allowances, benefits and perquisites	Any other allowances, benefits and perquisites admissible to the senior officers of the Company as per RULES of the Company, from time to time.

B. Other terms

- Where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Nitin Somani, as minimum remuneration with the approval of the Central Government, if required.
- So long as Mr. Nitin Somani functions as the Chairperson and Managing Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

Mrs. Sonal Nitin Somani, Whole time Director

Mrs. Sonal Somani was appointed as a Wholetime Director pursuant to Section 269 and other applicable provisions of the Companies Act, 1956 for a period of 5 years with effect from December 14, 2011 pursuant to a resolution passed at the Board meeting held on December 16, 2011 and the shareholders EGM held on December 20, 2011.

The board resolution dated December 16, 2011 and EGM dated December 20, 2011 provides the following remuneration for Mrs. Sonal Somani:

A. Basic terms of remuneration

Basic Salary	₹ 20,000/- per month with authority to the Board of Directors (which expression shall include a Committee thereof) to revise the basic salary from time to time taking into account the
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	performance of the Company, subject however to a ceiling of ₹ 25,000/- per month.
Medical Expenses	Reimbursement of medical expenses incurred in India and abroad (including insurance premium for medical and hospitalization policy, if any) on actual basis for self and family, subject to ceiling of one month's basic salary in a year or three months' basic salary over a period of three years.
Leave Travel Allowance	For self and family, once a year in accordance with rules of the Company
Club Fees	Membership of one club in India (including admission and membership fee).
Entertainment expenses and other business expenses	Entertainment, travelling and all other expenses incurred for the business of the Company shall be reimbursed as per rules of the Company.
Car & Telephone	The Company shall provide car with driver, telephone at the residence of the Wholetime Director and a mobile phone connection, for the Company's business.
PF Contribution	Contribution to Provident Fund shall be as per rules of the Company
Gratuity	Gratuity payable shall not exceed half a month's basic salary for each completed year of service
Superannuation	Contribution to Superannuation Fund, if any, shall be as per rules of the Company.
Other allowances, benefits and perquisites	Any other allowances, benefits and perquisites admissible to the senior officers of the Company as per rules of the Company, from time to time.

B. Other terms

- Where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mrs. Sonal Nitin Somani, as minimum remuneration with the approval of the Central Government, if required.
- So long as Mrs. Sonal Nitin Somani functions as the Whole Time Director of the Company, she will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

Mr. Manoj Prabhudas Somani, Whole time Director

Mr. Manoj Prabhudas Somani was appointed as a Wholetime Director pursuant to Section 269 and other applicable provisions of the Companies Act, 1956 for a period of 5 years with effect from December 14, 2011 pursuant to a resolution passed at the Board meeting held on December 16, 2011 and the shareholders EGM held on December 20, 2011 confirmed his appointment as Director.

The board resolution dated December 16, 2011 and EGM dated December 20, 2011 provides the following remuneration for Mr. Manoj Somani:

A. Basic terms of remuneration

Basic Salary	₹ 20,000/- per month with authority to the Board of Directors (which expression shall include a Committee thereof) to revise the basic salary from time to time taking into account the performance of the Company, subject however to a ceiling of ₹ 25,000/- per month.
Medical Expenses	Reimbursement of medical expenses incurred in India and abroad (including insurance premium for medical and hospitalization policy, if any) on actual basis for self and family, subject to ceiling of one month's basic salary in a year or three months' basic salary over a period of three years.
Leave Travel Allowance	For self and family, once a year in accordance with rules of the

	Company
Club Fees	Membership of one club in India (including admission and membership fee).
Entertainment expenses and other business expenses	Entertainment, travelling and all other expenses incurred for the business of the Company shall be reimbursed as per rules of the Company.
Car & Telephone	The Company shall provide car with driver, telephone at the residence of the Wholtime Director and a mobile phone connection, for the Company's business.
PF Contribution	Contribution to Provident Fund shall be as per rules of the Company
Gratuity	Gratuity payable shall not exceed half a month's basic salary for each completed year of service
Superannuation	Contribution to Superannuation Fund, if any, shall be as per rules of the Company.
Other allowances, benefits and perquisites	Any other allowances, benefits and perquisites admissible to the senior officers of the Company as per rules of the Company, from time to time.

B. Other terms

- Where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Manoj Prabhudas Somani, as minimum remuneration with the approval of the Central Government, if required.
- So long as Mr. Manoj Prabhudas Somani functions as the Whole Time Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

Mr. Salim Ismail Shaikh, Whole time Director

Mr. Salim Ismail Shaikh was appointed as a Wholtime Director pursuant to Section 269 and other applicable provisions of the Companies Act, 1956 for a period of 5 years with effect from December 14, 2011 pursuant to a resolution passed at the Board meeting held on December 16, 2011 and the shareholders EGM held on December 20, 2011.

The board resolution dated December 16, 2011 and EGM dated December 20, 2011 provides the following remuneration for Mr. Salim Ismail Shaikh:

A. Basic terms of remuneration

Basic Salary	₹ 20,000/- per month with authority to the Board of Directors (which expression shall include a Committee thereof) to revise the basic salary from time to time taking into account the performance of the Company, subject however to a ceiling of ₹ 25,000/- per month.
Medical Expenses	Reimbursement of medical expenses incurred in India and abroad (including insurance premium for medical and hospitalization policy, if any) on actual basis for self and family, subject to ceiling of one month's basic salary in a year or three months' basic salary over a period of three years.
Leave Travel Allowance	For self and family, once a year in accordance with rules of the Company
Club Fees	Membership of one club in India (including admission and membership fee).
Entertainment expenses and other business expenses	Entertainment, travelling and all other expenses incurred for the business of the Company shall be reimbursed as per rules of the Company.
Car & Telephone	The Company shall provide car with driver, telephone at the residence of the Wholtime Director and a mobile phone

	connection, for the Company's business.
PF Contribution	Contribution to Provident Fund shall be as per rules of the Company
Gratuity	Gratuity payable shall not exceed half a month's basic salary for each completed year of service
Superannuation	Contribution to Superannuation Fund, if any, shall be as per rules of the Company.
Other allowances, benefits and perquisites	Any other allowances, benefits and perquisites admissible to the senior officers of the Company as per rules of the Company, from time to time.

B. Other terms

- Where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Salim Ismail Shaikh, as minimum remuneration with the approval of the Central Government, if required.
- So long as Mr. Salim Ismail Shaikh functions as the Wholetime Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

TERMS AND CONDITIONS OF EMPLOYMENT OF NON-EXECUTIVE DIRECTORS

In addition, our Company will, subject to the provisions of the Companies Act and other applicable laws and regulations, pay each non-executive Director sitting fees to attend meetings of the Board and any committee of the Board. Our Company will also reimburse such Directors for out-of-pocket expenses to attend such meetings and perform their role as a Director.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

The changes in our Board of Directors in the last three years up to the date of filing this Draft Red Herring Prospectus are as follows:

Name	Date of Appointment	Date of Cessation	Reason
Mr. Salim Ismail Shaikh	October 18, 2011	-	Appointed as Additional Director
Mr. Suresh Shivappa Nagaral	October 18, 2011	-	Appointed as Additional Director
Mr. Durgesh Dharamraj Sonkar	October 18, 2011	-	Appointed as Additional Director
Mr. Mehul Nilesh Shah	October 18, 2011	-	Appointed as Additional Director
Mr. Paresh Devidas Davada	October 18, 2011	-	Appointed as Additional Director
Mr. Vinay Choubey	October 18, 2011	-	Appointed as Additional Director
Mr. Durgesh Dharamraj Sonkar	-	December 16, 2011	Resignation
Mr. Paresh Devidas Davada	-	December 16, 2011	Resignation
Mr. Naresh Kumar Sharma	December 16, 2011	-	Appointed as Additional Director
Mr. Vijay Genbhau Gulve	December 16, 2011	-	Appointed as Additional Director
Mr. Vijay Genbhau Gulve	-	December 26, 2011	Resignation
Mr. Mohammad Kasim M. Shaikh	December 26, 2011	-	Appointed as Additional Director

BORROWING POWERS OF THE BOARD

Our Articles, subject to the provisions of the Act, authorise our Board, at its discretion, to generally raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at the EGM held with a shorter notice on January 04, 2012, our Board has been authorised to borrow any sum or sums of monies in excess of our aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed ₹ 100 Crores (Rupees One Hundred Crores).

CORPORATE GOVERNANCE

The provisions of the listing agreement to be entered into with the Stock Exchanges (“**Listing Agreement**”) with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. As of the date of this Draft Red Herring Prospectus, our Company has taken steps to comply with the provisions of Clause 49 of the Listing Agreement, including with respect to the appointment of Independent Directors, the constitution of the Audit, Remuneration and Shareholders/Investors Grievance committees.

Composition of the Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 49 of the Listing Agreement. There are 9 Directors on our Board of which 5 i.e. not less than 50% comprises of Non-Executive and Independent Directors in accordance with the requirement of clause 49 of the listing agreement of the Stock Exchanges.

Sr. No.	Name of the Director	Status
1.	Mr. Nitin Prabhudas Somani	Chairman and Managing Director
2.	Mrs. Sonal Nitin Somani	Wholetime Director
3.	Mr. Manoj Prabhudas Somani	Wholetime Director
4.	Mr. Salim Ismail Shaikh	Wholetime Director
5.	Mr. Suresh Shivappa Nagaral	Independent and Non Executive Director
6.	Mr. Vinay Choubey	Independent and Non Executive Director
7.	Mr. Nareshkumar Sharma	Independent and Non Executive Director
8.	Mr. Mohammad Kasim M. Shaikh	Independent and Non Executive Director
9.	Mr. Mehul Nilesh Shah	Independent and Non Executive Director

The Chairman of the Board is an executive and non-independent Director. The Board of Directors comprise 9 directors, of which 5 are Independent Directors.

In accordance with Clause 49 of the Listing Agreement, our Company has constituted the following committees:

I. Audit Committee

Our Board constituted an Audit Committee, pursuant to the provisions of Section 292A of the Companies Act. The constitution of the Audit Committee was approved at a meeting of the Board of Directors held on December 16, 2011.

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

Sr. No.	Name of the Director	Designation	Nature of Directorship
1.	Mr. Suresh Shivappa Nagaral	Chairman	Independent and Non Executive Director
2.	Mr. Mehul Nilesh Shah	Member	Independent and Non Executive Director
3.	Mr. Vinay Choubey	Member	Independent and Non Executive Director
4.	Mr. Nareshkumar Sharma	Member	Independent and Non Executive Director

Our Company Secretary, Ms. Anshu Shrivastava will act as the secretary of the Committee.

The terms of reference of Audit Committee comply with the requirements of Clause 49 of the Listing Agreement, which will be entered into with the Stock Exchanges in due course. The scope of Audit Committee shall include but shall not be restricted to 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. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditors
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - 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;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report;
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Monitoring the use of the proceeds of the proposed initial public offering of the Company.
9. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
10. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
11. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
12. Discussion with internal and statutory auditors on any significant findings and follow up there on;
13. 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;
14. Discussion with the 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;
15. 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;
16. To review the functioning of the Whistle Blower mechanism, when the same is adopted by the Company and is existing;
17. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee;
18. The Audit Committee shall mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall enjoy following powers: -

- To invite such of the executives, as it considers appropriate (and particularly the head of finance function) to be present at the meetings of the Committee,
- To investigate any activity within its terms of reference,
- To seek information from any employ,
- To obtain outside legal or other professional advice,
- To secure attendance of outsiders with reasonable expertise, if considered necessary.

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

No. of Meetings

Since the formation of the committee, two (2) Audit Committee meetings have taken place

II. Shareholder/Investors Grievance Committee

The Shareholders' / Investors' Grievance Committee has been formed by the Board of Directors at the meeting held on December 16, 2011 in compliance with Clause 49 of the Listing Agreement.

The Shareholders' / Investors' Grievance Committee has been constituted with the following Directors:

Sr. No.	Name of the Director	Designation	Nature of Directorship
1.	Mr. Vinay Choubey	Chairman	Independent and Non Executive Director
2.	Mr. Mehul Nilesh Shah	Member	Independent and Non Executive Director
3.	Mr. Nareshkumar Sharma	Member	Independent and Non Executive Director

Our Company Secretary, Ms. Anshu Shrivastava will act as the secretary of the Committee.

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

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, and transfer of Equity Shares and issue of duplicate/split/consolidated share certificates.
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Allotment and listing of shares in future;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances; and
- Ensure proper and timely attendance and redressal of investor queries and grievances.
- To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.
- To review from time to time the secretarial department.
- Investor relations and redressal of shareholders grievances in general and relating to non receipt of declared dividends, interest, non- receipt of balance sheet etc.;
- Such other matters as may be from time to time required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

No. of Meetings

Since the formation of the committee, two (2) Audit Committee meetings have taken place

III. Remuneration Committee

The constitution of the Remuneration Committee was approved at a meeting of the Board of Directors held on December 16, 2011

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

Sr. No.	Name of the Director	Designation	Nature of Directorship
1.	Mr. Nareshkumar Sharma	Chairman	Independent and Non Executive Director
2.	Mr. Mehul Nilesh Shah	Member	Independent and Non Executive Director
3.	Mr. Salim Ismail Shaikh	Member	Non Independent and Executive Director

Our Company Secretary, Ms. Anshu Shrivastava will act as the secretary of the Committee.

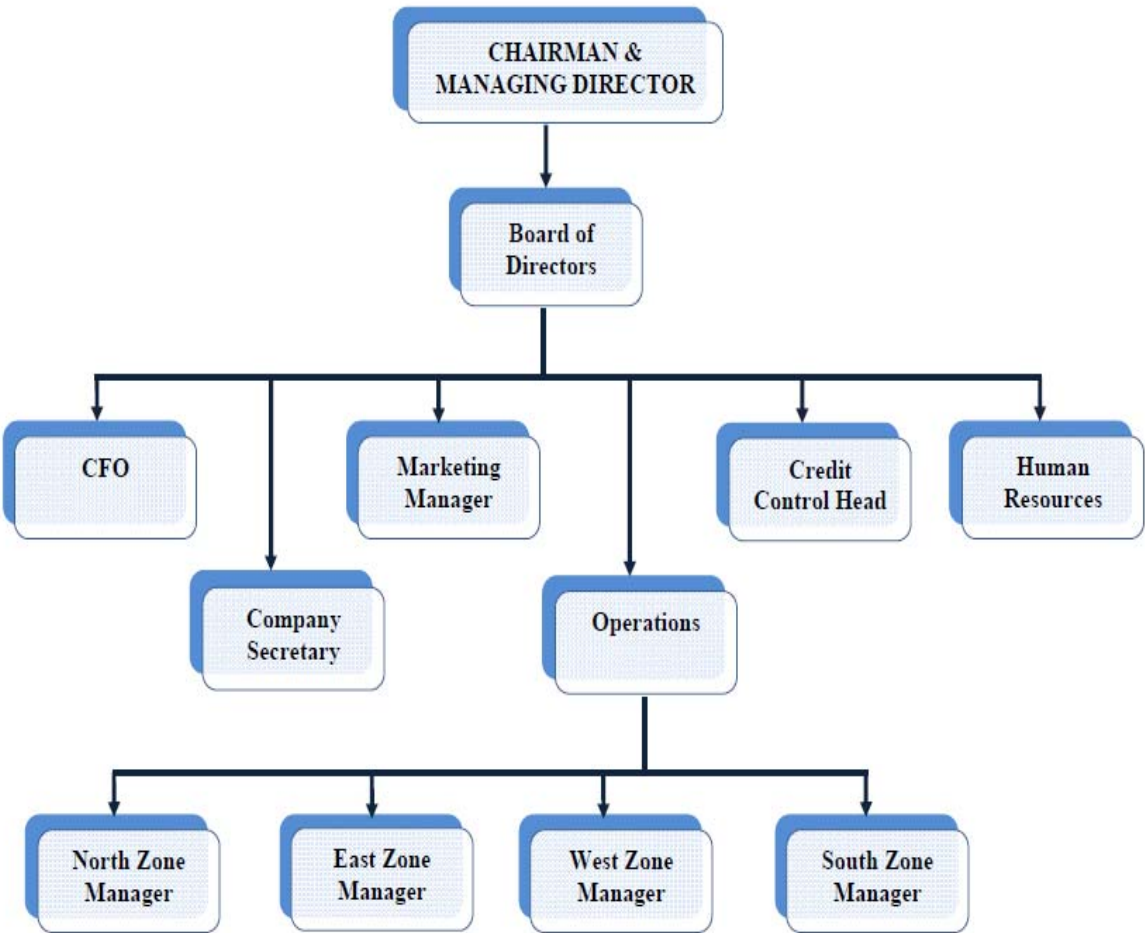
The terms of reference of our Remuneration Committee are given below:

1. To decide and approve the terms and conditions for appointment of executive directors and/ or whole time Directors and Remuneration payable to other Directors and matters related thereto.
2. To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/ Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
3. To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole-time/ Executive Directors, including pension rights and any compensation payment;
4. To implement, supervise and administer any share or stock option scheme of the Company.

No. of Meetings

Since the formation of the committee, two (2) Audit Committee meetings have taken place

ORGANIZATION CHART



KEY MANAGERIAL PERSONNEL

Our company is managed by Board of Directors, assisted by qualified and experienced professionals in the field of production, finance and marketing. The following key personnel assist the management.

Sr. No.	Name, Designation, Age	Qualification	Experience (Years)	Date of Joining	Compensation for FY 2010-11	Functional Responsibility	Previous Employment
1.	Ms. Anshu Shrivastava Company Secretary Age: 25 Years	Company Secretary	Less than 1 year / 6 months experience	November 1, 2011	N/A	In Charge of Secretarial and Compliance	None
2.	Mr. Shams Tabrez Ahmed Shaikh Chief Financial Officer Age: 32 Years	Masters of Business Administration	10 years	November 1, 2011	N/A	Providing comptrollership functions, management of accounting and financial systems.	Tejari FZ, LLC (Dubai), M/s. A.Q. Shaikh and Co., and Trend Setters (Export House)
3.	Mr. Vinod Kumar Sharma Manager – North Zone Age: 34 Years	Bachelor of Arts (Honours in Economics)	4 Years	May 01, 2009 Current Post – June 16, 2011	₹ 258,000	In charge of Operations in the North Zone	Citiland Courier and Cargo
4.	Mr. Mohammed Wasi Ahmed Manager – West Zone Age: 38 years	B.Sc – Chemistry; Post Graduate Diploma in Business Management	10 years	July 17, 2008 Current Post – June 12, 2011	₹ 414,000	In charge of Operations in the West Zone	M/s. Elbee Express; GATI Express;
5.	Mr. Mithilesh Dholi Manager – South Zone Age: 23 years	Matriculate	3 years	February 02, 2009 Current Post – July 12, 2011	₹ 264,000	In charge of Operations in the South Zone	DTDC Courier & Cargo
6.	Mr. Liladhar Golatkar Manager – East Zone Age: 35 years	Matriculate	5 years	July 15, 2009 Current Post – September 15, 2011	₹ 258,000	In charge of Operations in the East Zone	CMIE;
7.	Mr. Amit Manohar Gurav Head, Credit Control Department Age: 32 years	Passed Higher Secondary Certificate examination	10 years	June 01, 2009 Current Post – July 18, 2011	₹ 270,000	In charge of Payments receivable and payable and other MIS activities	Weldo Digital Studio; Hindustan Unilever Ltd.
8.	Mr. Krishna	Bachelor of Arts	10 years	June 14,	₹ 420,000	Responsible to	M/s. Om

Sr. No.	Name, Designation, Age	Qualification	Experience (Years)	Date of Joining	Compensation for FY 2010-11	Functional Responsibility	Previous Employment
	Kumar Mahto Manager (Marketing) Age: 32 years			2009 Current Post – August 28, 2011		achieving “Area sales target”. Promotion and business development. Developing/acquiring new customers. Ensuring timely delivery of database with the project department. Coordinating with the operations team for execution of projects.	Logistics; M/s. Logisys Cargo; Overnite Express Ltd.
9.	Mr. Altaf Alam Ayyub Shaikh Human Resource Manager Age: 28 Years	Bachelor of Commerce – University of Mumbai	6 years	November 10, 2011	N. A	Handling HR related activities like recruiting and interviews along with other responsibilities.	African Foundries Nig Ltd; Fast Train Cargo Pvt. Ltd.; Ragz Clothing Co. Pvt. Ltd.; A. Q. Shaikh & Co.

Notes:

- All the Key Managerial Personnel mentioned above are on the payrolls of our Company as the permanent employees.
- There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned key managerial personnel have been recruited.
- The Key Management Personnel mentioned above are not related parties as per the Accounting Standard 18.

RELATIONSHIPS BETWEEN KEY MANAGERIAL PERSONNEL

None of the Directors and Key Managerial Personnel are related to each other

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

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

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company does not have a performance linked bonus or a profit sharing plan for the Key Managerial Personnel.

EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options to our employees. Apart from salary and usual perquisites and the employee provident fund scheme, no other benefits have been offered to the officers of the Company.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment & reimbursement of expenses incurred by them during the ordinary course of business and to the extent of equity shares subscribed for and allotted to them out of the present issue.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY

Except for payment of monetary and non-monetary benefits in accordance with the terms of employment or engagement, we have neither paid any amount/ given any benefit to any Officer of our Company in a period of two years before the date of the DRHP, nor such amount / benefit intended to be paid or given to any officer as on the date of the DRHP.

CHANGES IN THE KEY MANAGERIAL PERSONNEL

The changes in our Key Managerial Personnel in the last three years up to the date of filing this Draft Red Herring Prospectus are as follows:

Name	Date Of Appointment	Date of Cessation	Reason
Mr. Mithilesh Dholi	February 02, 2009	-	Appointment
Mr. Vinod Kumar Sharma	May 01, 2009	-	Appointment
Mr. Amit Manohar Gurav	June 01, 2009	-	Appointment
Mr. Krishna Kumar Mahto	June 14, 2009	-	Appointment
Mr. Altaf Alam Ayyub Shaikh	-	June, 2009	Resignation
Mr. Liladhar Golatkar	July 15, 2009	-	Appointment
Ms. Anshu Shrivastava	November 1, 2011	-	Appointment
Mr. Shams Tabrez Ahmed Shaikh	November 1, 2011	-	Appointment
Mr. Altaf Alam Ayyub Shaikh	November 10, 2011	-	Re-Appointment

OUR PROMOTERS AND PROMOTER GROUP

Details of Promoter Being an Individual

1. Mr. Nitin Somani



Designation	Promoter, Chairman and Managing Director
Personal Address	A-703, Beau Monde, Appasaheb Mhatre Marg, Prabhadevi, Mumbai – 400 025
Qualification	HSC (Higher Secondary)
Nationality	Indian
PAN	AAEPS5182P
Voter ID Number	TDW1564459
Driving License Number	MH01 20080084908
Passport Number	Z2174363

Mr. Nitin Prabhudas Somani, aged 42 years, is the Chairman and Managing Director of our Company. He has completed his Higher Secondary from Board of High School and Intermediate Education, Uttar Pradesh in the year 2004. He has 22 years of experience in the logistics industry. He started the business of logistics in the year 1990 by his proprietary concern M/s. Fast Courier. As the Chairman and Managing Director of our Company, he is responsible for the overall growth and development of our Company.

2. Mrs. Sonal Somani



Designation	Promoter and Whole-time Director
Personal Address	A-703, Beau Monde, Appasaheb Mhatre Marg, Prabhadevi, Mumbai – 400 025
Qualification	HSC (Higher Secondary)
Nationality	Indian
PAN	ALHPS9758D
Voter ID Number	TDW1564442
Driving License Number	MH01 9759455
Passport Number	J7750509

Mrs. Sonal Nitin Somani, aged 38 years is the Wholetime Director of our Company. She has passed her Higher Secondary Certificate examinations from the State Board of Secondary and Higher Secondary Education, Pune (Maharashtra) in the year 1991. She has 11 years of experience in the logistics industry. She started her career in the field of logistics with her proprietary firm M/s. Fast Train Cargo. As a Whole time Director of our Company, she is responsible for business planning and policy formulation in the Company.

Our Company undertakes that the details of the Permanent Account Number, Bank Account Numbers, and Passport Number of Mr. Nitin Somani and Mrs. Sonal Somani will be submitted to the stock exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Interests of Promoters and Common Pursuits

Our Company is promoted by Mr. Nitin Somani and Mrs. Sonal Somani. As on the date of filing of this Draft Red Herring Prospectus, Mr. Nitin Somani holds 2,340,000 equity shares in our Company and Mrs. Sonal Somani holds 2,340,000 equity shares in our Company. The aforementioned Promoters of our Company are interested to the extent of their shareholding in our Company. Additionally, Mr. Nitin Somani and Mrs. Sonal Somani are husband and wife.

The Promoters and Promoter Group Entities confirm that they have no interest in any property acquired by our Company during the last two years from the date of filing this Draft Red Herring Prospectus or any property proposed to be acquired by our Company.

Further, our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

For the payments that are made by our Company to certain Promoter Group entities, see the section “Related Party Transactions” on page no. 152150 of this Draft Red Herring Prospectus.

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

Further, except as disclosed in this section our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us.

Payment of Benefits to our Promoters

Except as stated in the section titled “Related Party Transactions” on page no. 152150 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters.

Confirmations

Further, neither of our Promoters has been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them. Neither of our Promoters, Promoter Group entities or persons in control of our Promoters or bodies corporate forming part of the Promoter Group has been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

OUR PROMOTER GROUP

In terms of SEBI (ICDR) Regulations, the following immediate relatives form part of our Promoter Group due to their relationship with our Promoters, are part of our Promoter Group in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations.

Name of the Person	Relationship with the Promoter	No. of Equity Shares held in our Company	% of Shares held in our Company
Mr. Nitin Somani			
Mrs. Sonal Somani	Wife	2,340,000	42.55
Mr. Raj Somani	Son	0	0.00
Ms. Tulsi Somani	Daughter	0	0.00
Mrs. Ramaben Somani	Mother	0	0.00
Mr. Prabhudas Khimji Somani	Father	0	0.00
Mr. Manoj Prabhudas Somani	Brother	1000	0.02
Mr. Dinesh Somani	Brother	0	0.00
Mrs. Manisha Somani	Sister	0	0.00
Mrs. Sonal Somani			
Mr. Nitin Somani	Husband	2,340,000	42.55
Mr. Raj Somani	Son	0	0.00
Ms. Tulsi Somani	Daughter	0	0.00
Mrs. Heraben Vinodrai Thakkar	Mother	0	0.00
Mr. Vinodrai Maganlal Thakkar	Father	0	0.00
Mr. Ramu Vinodrai Thakkar	Brother	0	0.00
Mr. Shyam Vinodrai Thakkar	Brother	0	0.00
Mrs. Pravina Prakash Sangani	Sister	0	0.00

PROMOTER GROUP ENTITIES

In addition to our Promoter Group, as specified under the section “Our Promoters” on page no. 121 of this DRHP, the following companies and entities shall form part of our Promoter Group Entities:

Listed Group Companies

- I. Hasti Finance Limited

Unlisted Companies

- II. Shree Fast Courier and Cargo Private Limited
- III. Fast Air Cargo Private Limited
- IV. Fast Realty Private Limited
- V. Fenix Software Solutions Private Limited
- VI. Shabd Brahma Developers Private Limited
- VII. First International Hotels Private Limited
- VIII. Focal Courier and Cargo Private Limited
- IX. Eswar Air Freight Private Limited
- X. Fast Agrifarms Private Limited
- XI. Kisan Commodities Private Limited
- XII. NST Realty Private Limited
- XIII. Genio Kids Education India Private Limited
- XIV. S Be Developers Private Limited

Partnership

- XV. M/s First International Hotels
- XVI. M/s Krypton Estate
- XVII. M/s Krypton Constructors and Realtors

Sole Proprietorship Firm

- XVIII. M/s Fast Train Cargo
- XIX. M/s Fast Courier and Cargo

HUF's

- XX. Nitin Somani & Sons (HUF)

Trusts

- XXI. Somani Education Trust

FINANCIAL INFORMATION OF GROUP ENTITIES

As per Schedule VIII (IX)(C)(2) of the SEBI (ICDR) Regulations 2009, the financial information of top five Group Companies, Listed and Unlisted, on the basis of Market Capitalization and Turnover respectively, are given below.

I. HASTI FINANCE LIMITED (HFL)

Date of Incorporation	The Company was incorporated in the name of Hasti Finance Private Limited on August 16, 1994 under The Companies Act, 1956 in the state of Tamil Nadu and is registered with the Registrar of Companies, Chennai*. The Company was converted into a Public Limited Company at the EGM held on October 22, 1994 and a fresh certificate of incorporation was obtained on March 24, 1995 from the Registrar of Companies, Chennai*, Tamil Nadu.
CIN	L65191TN1994PLC028333
Registered Office	No. 14, Imperial Hotel Complex, Near Albert Cinema Hall, Whannels Road, Egmore, Chennai 600 008.
Nature of Business	Hasti Finance is engaged in the business of financiers, agents, merchants, brokers, executing and undertaking all kinds of financial trading, commercial and other operations and transactions without doing the business of banking as defined under the Banking Regulation Act, 1949.

* Erstwhile Madras

Board of Directors as on March 31, 2012

Sr. No.	Name	Designation
1	Mr. Nitin Somani	Chairman & Managing Director
2	Mrs. Sonal Somani	Director
3	Mr. Salim Ismail Shaikh	Director
4	Mr. Nizammudin M. Shaikh	Independent Director
5	Mr. Vilas Shankar Davare	Independent Director
6	Mr. Vishal Budhdev	Independent Director

Details of listing of HFL

Year of Initial Listing	November 1995
Name of the Stock Exchanges where currently listed	BSE, ASE and MSE
Details of public offerings in last 3 Years	None
Date of opening and closing of Issue	N. A.
Date of Allotment	N. A.
Date of Listing	N. A.
Listing Code	500368

Shareholding Pattern of HFL as on March 31, 2012

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	4	3,973,848	3,973,848	40.33	40.33	-	-
Bodies Corporate	-	-	-	-	-	-	-

Sub Total	4	3,973,848	3,973,848	40.33	40.33	-	-
(2) Foreign	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)	4	3,973,848	3,973,848	40.33	40.33	-	-
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-
Foreign Institutional Investors	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-
(2) Non-Institutions							
Bodies Corporate	48	757,003	756,003	7.68	7.68	-	-
Individuals							
Individual shareholders holding nominal share capital up to ₹ 1 lakh	815	638,745	351,682	6.48	6.48	-	-
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	70	4,320,491	4,098,191	43.84	43.84	-	-
Any Others (Specify)	30	164,213	164,213	1.67	1.67	-	-
Clearing Members	2	3,881	3,881	0.04	0.04	-	-
HUFs	25	160,206	160,206	1.63	1.63	-	-
Non Resident Indians	3	126	126	-	-	-	-
Sub Total	959	5,880,452	5,370,089	59.67	59.67	-	-
Total Public shareholding (B)	959	5,880,452	5,370,089	59.67	59.67	-	-
Total (A)+(B)	963	9,854,300	9,343,937	100.00	100.00	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	963	9,854,300	9,343,937	-	100.00	-	-

Source: www.bseindia.com**Brief Audited Financials of HFL:**

(₹ in lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Share Capital	462.26	262.26	262.26
Reserves (Excluding Revaluation Reserve)	480.22	76.41	69.99
Net Worth [#]	933.54	338.67	332.25
Net Income	127.07	16.69	18.60
PAT	66.96	6.42	0.89
Basic EPS* (Per Share) (₹)	1.76	0.24	0.03
Diluted EPS* (Per Share) (₹)	1.36	0.24	0.03
NAV (Per Share) (₹) [#]	20.20	12.91	12.67

Note: - 1. * EPS is calculated on PAT minus Preference Dividend and Tax thereon2. [#] Networth and NAV per Share does not include Share Warrants Issued by the Company**The Stock Market data of HFL at BSE:**

Month	High (₹)	Low (₹)	No. of Shares Traded	Total Turnover (₹ in Lacs)
October 2011	77.00	56.65	69,775	5,038,605
November 2011	79.15	60.30	17,685	1,194,660
December 2011	72.80	62.70	9,094	623,727
January 2012	87.05	63.00	1,696	109,287
February 2012	72.00	54.15	20,122	1,235,133
March 2012	81.30	54.15	117,688	8,866,645

(Source: www.bseindia.com)

The stock market data of HFL at ASE and MSE:

As per the information available from both the stock exchanges, there has been no trading in the Stock of Hasti Finance Limited in 6 months preceding the date of filing of this DRHP.

Past Penalties and Listing Compliances:

HFL, under the erstwhile promoters had faced suspension of its securities on BSE due to non-compliances of certain provisions of Listing Agreement on three occasions i.e. September 2006, March 2008 and March 2009. (Source: BSE website); After our Promoters took the control over management and acquired substantial shares of HFL through SPA and Open Offer in August 2009, there have been no suspensions.

Further, there have been instances of delay in the filings as required under the Listing Agreement with the Stock Exchanges as well as non-compliances of clause 41 (VI), 41 (III), 41 (I) (c) (i) and Annexure – IC under Clause 49 of the Listing Agreement. HFL and our Promoters have taken necessary measures to ensure that these delays and non-compliances do not recur in future.

Open Offer of Hasti Finance Limited (Target Company)

Mr. Nitin Somani and Mrs. Sonal Somani (Acquirers) have made an another Open Offer to the Shareholders of Hasti Finance Limited (other than the present Promoters & Promoter Group) in compliance with regulation 11(1) of the SEBI (SAST) Regulations, 1997, vide a Public Announcement dated March 07, 2012 to acquire 1,970,900 Equity Shares of ₹ 10/- each, representing 20% of its Post-Conversion voting capital, at a price of ₹ 90 per share (including interest of ₹ 7.50), payable in cash (the 'Offer Price').

As a result of conversion of 1,440,000 warrants into equity shares on June 27, 2011, held by Mrs. Sonal Somani, the Acquirers have acquired voting rights entitling them to exercise more than five percent (5%) of the voting rights in any financial year and this has necessitated the Open Offer pursuant to and in terms of regulations 11 (1) of the SEBI (SAST) Regulation, 1997. Since no Public Announcement was made on conversion of warrants on June 27, 2011, the Acquirers have made the above Open Offer ('Offer') including interest for the delay period.

Mechanism for redressal of Investor Grievance

HFL has appointed Cameo Corporate Services Limited as the Registrar and Transfer Agent, who has been entrusted with responsibility of redressal of investor grievances and servicing the investors.

Besides, the Board has constituted the Shareholders' Grievance Committee as per the guidelines set out in listing agreement that inter alia includes redressing investors' complaints regarding transfer of shares, non-receipt of any correspondence from the Company etc. The Committee also oversees the performance of the Registrar & Transfer Agents and recommends measures for the overall improvement of the quality of the investor services.

FY 2010-2011

During this year, HFL received 1 reference from the investors, which was resolved / addressed till March 31, 2011.

There are no investor complaints pending in the listed group company, Hasti Finance Limited, as on date of filing of this DRHP.

Other Disclosures:

The Equity Shares of HFL are listed on the BSE, ASE and MSE and it has not made any public / rights issue in the last three (3) years.

HFL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, HFL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

II. SHREE FAST COURIER & CARGO PRIVATE LIMITED (SFCCPL)

Date of Incorporation	The Company was incorporated in the name of 'Shree Fast Courier & Cargo Private Limited' on December 07, 2005 under The Companies Act, 1956 in the state of Maharashtra.
CIN	U63010MH2005PTC157858
Registered Office	Shop No. 1, Koteswar Apartment, Koldongri Road, No. 4, Opposite Garware House Andheri (East), Mumbai – 400069
Nature of Business	SFCCPL is engaged in the business of supply & services and courier, cargo, carriage, clearing & forwarding, transportation and delivery of goods in India and abroad.

Board of Directors of SFCCPL as on March 31, 2012:

Sr. No.	Name	Designation
1.	Mr. Nitin Somani	Director
2.	Mrs. Sonal Somani	Director

Shareholding Pattern of SFCCPL as on March 31, 2012

Name of the shareholders	Number of equity shares held	Percentage (%)
Mr. Nitin Somani	25,000	50
Mrs. Sonal Somani	25,000	50
Total	50,000	100

Brief Audited Financial of SFCCPL:

Particulars	(₹ in lakhs)		
	March 31, 2011	March 31, 2010	March 31, 2009
Share Capital	5.00	5.00	5.00
Reserves (Excluding Revaluation Reserve)	239.96	191.23	148.81
Net Worth	244.96	196.23	153.81
Net Income	1,629.85	1,760.90	2,030.41
PAT	48.72	42.42	54.18
Basic EPS* (Per Share) (₹)	97.45	84.84	108.36
Diluted EPS* (Per Share) (₹)	97.45	84.84	108.36
NAV (Per Share) (₹)	489.92	392.46	307.62

Other Details:

The Equity Shares of SFCCPL are not listed on Stock Exchange

SFCCPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, SFCCPL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues.

No proceedings have been initiated for economic offences against the Company.

III. FAST AIR CARGO PRIVATE LIMITED (FACPL)

Date of Incorporation	The Company was incorporated in the name of 'Fast Air Cargo Private Limited' on January 10, 2006 under The Companies Act, 1956 in the state of Maharashtra.
CIN	U63033MH2006PTC158790
Registered Office	Shop No. 5, Plaza Co-operative Housing Society Limited, Plot No. 69, Sector 2, Kopar Khairane, Navi Mumbai - 400709.
Nature of Business	FACPL is engaged in the business of supply & services and courier, cargo, carriage, clearing & forwarding, transportation and delivery of goods in India and abroad.

Board of Directors of FACPL as on March 31, 2012

Sr. No.	Name	Designation
1	Mr. Nitin Somani	Director
2	Mr. Manoj Somani	Director

Shareholding Pattern of FACPL as on March 31, 2012

Name of the shareholders	Number of equity shares held	Percentage (%)
Mr. Nitin Somani	5,000	50
Mr. Manoj Somani	5,000	50
Total	10,000	100

Brief Audited Financial of FACPL:

(₹ in lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Share Capital	1.00	1.00	1.00
Reserves (Excluding Revaluation Reserve)	128.32	122.49	115.58
Net Worth	129.32	123.49	116.58
Net Income	254.79	304.69	1,542.24
PAT	5.83	6.92	48.01
Basic EPS (Per Share) (₹)	58.29	69.16	480.05
Diluted EPS (Per Share) (₹)	58.29	69.16	480.05
NAV (Per Share) (₹)	1,293.20	1,234.90	1,165.80

Other Disclosures:

The Equity Shares of FACPL are not listed on Stock Exchange.

FACPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, FACPL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues.

No proceedings have been initiated for economic offences against the Company.

IV. FAST REALTY PRIVATE LIMITED (FRPL)

Date of Incorporation	The Company was incorporated in the name of 'Fast Realty Private Limited' on February 27, 2006 under The Companies Act, 1956 in the state of Maharashtra.
CIN	U70100MH2006PTC160051
Registered Office	Room No. 3, Anubhav C.H.S. Ltd., Plot No. 1031, Sayani Road, Prabhadevi, Mumbai – 400025
Nature of Business	FRPL is engaged in the business of purchasing, selling, leasing, hiring or otherwise acquiring, for investment or sale, any real estate including lands, businesses, factories etc in consideration of a gross sum or rent or for any other consideration. However, the Company is not carrying out any business as on today.

Board of Directors of FRPL as on March 31, 2012

Sr. No.	Name	Designation
1	Mr. Nitin Somani	Director
2	Mrs. Sonal Somani	Director

Shareholding Pattern of FRPL as on March 31, 2012

Name of the shareholders	Number of equity shares held	Percentage (%)
Mr. Nitin Somani	5,000	50
Mrs. Sonal Somani	5,000	50
Total	10,000	100

Brief Audited Financial of FRPL:*(₹ in lakhs)*

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Share Capital	1.00	1.00	1.00
Reserves (Excluding Revaluation Reserve)	(0.68)	(0.62)	(0.53)
Net Worth	0.32	0.36	0.43
Net Income	0.00	0.00	0.00
PAT	(0.05)	(0.09)	(0.10)
Basic EPS (Per Share) (₹)	Negative	Negative	Negative
Diluted EPS (Per Share) (₹)	Negative	Negative	Negative
NAV (Per Share) (₹)	3.20	3.60	4.30

Other Disclosures:

The Equity Shares of FRPL are not listed on Stock Exchange.

FRPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, FRPL has made a loss in the immediately preceding year, however, does not have a negative net-worth.

There are no defaults in meeting any statutory/bank/institutional dues.

No proceedings have been initiated for economic offences against the Company.

V. FENIX SOFTWARE SOLUTIONS PRIVATE LIMITED (FSSPL)

Date of Incorporation	The Company was incorporated in the name of 'Finex Software Solutions Private Limited' on March 6, 2007 under the Companies Act, 1956 in the State of Maharashtra.
CIN	U72300MH2007PTC168377
Registered Office	Shop No. 1, Koteswar Apartments, Koldongri Road, No. 4, Opposite Garware House, Andheri (East), Mumbai 400 069.
Nature of Business	The Company is engaged in the business of developing, designing, buying, selling etc. of computer software and hardware and other IT based services & products. However, the Company is not carrying out any business as on today.

Board of Directors of FSSPL as on March 31, 2012

Sr. No.	Name	Designation
1	Mr. Manoj Somani	Director
2	Mrs. Sonal Somani	Director

Shareholding Pattern of FSSPL as on March 31, 2012

Name of the shareholders	Number of equity shares held	Percentage (%)
Mr. Nitin Somani	5,000	50
Mrs. Sonal Somani	5,000	50
Total	10,000	100

Brief Audited Financial of FSSPL:*(₹ in lakhs)*

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Share Capital	1.00	1.00	1.00
Reserves (Excluding Revaluation Reserve)	(0.16)	(0.12)	(0.08)
Net Worth	0.81	0.82	0.83
Net Income	0.00	0.00	0.00
PAT	(0.04)	(0.04)	(0.04)
Basic EPS (Per Share) (₹)	Negative	Negative	Negative
Diluted EPS (Per Share) (₹)	Negative	Negative	Negative
NAV (Per Share) (₹)	8.10	8.20	8.30

Other Disclosures:

The Equity Shares of FSSPL are not listed on Stock Exchange.

FSSPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, FSSPL has made a loss in the immediately preceding year, however, does not have a negative net-worth.

There are no defaults in meeting any statutory/bank/institutional dues.

No proceedings have been initiated for economic offences against the Company.

In addition to the above, the following are the companies / firms / ventures promoted by our Promoters.

Other Unlisted Companies

VI. SHABD BRAHMA DEVELOPERS PRIVATE LIMITED (SBDPL) (FORMERLY KRYPTON REALTY PRIVATE LIMITED)

The Company was incorporated on November 27, 2007 as Krypton Realty Private Limited under the Companies Act, 1956 in the State of Maharashtra. The name of the Company was changed to Shabd Brahma Developers Private Limited on June 5, 2009. The Company is engaged in the business of purchasing, selling, leasing, hiring or otherwise acquiring, for investment or sale, any real estate including lands, businesses, factories etc in consideration of a gross sum or rent or for any other consideration. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani holds 50% of the total equity holdings.

VII. FIRST INTERNATIONAL HOTELS PRIVATE LIMITED (FIHPL)

The Company was incorporated on May 16, 2008 under the Companies Act, 1956 in the State of Maharashtra. The Company is engaged in the Business of running Hotels, Motels, Inns, Lodging and Boarding, Resorts, Restaurants etc. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani and Mrs. Sonal Somani hold 50% each of the total equity holdings.

VIII. FOCAL COURIER AND CARGO PRIVATE LIMITED (FCCPL)

The Company was incorporated on April 06, 2009 under the Companies Act, 1956 in the State of Maharashtra. The Company is carrying out the business of Supply and Services, Courier, Cargo, Carriage, Clearing & Forwarding, Transportation, Delivery of goods in India and abroad. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani and Mrs. Sonal Somani hold 50% each of the total equity holdings.

IX. ESWAR AIR FREIGHT PRIVATE LIMITED (EAFPL)

The Company was incorporated on April 15, 2009 under the Companies Act, 1956 in the State of Maharashtra. The Company is engaged in the business of Supply and Services, Courier, Cargo, Carriage, Clearing & Forwarding, Transportation, Delivery of goods in India and abroad by Air. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani holds 50% of the total equity holdings.

X. FAST AGRIFARMS PRIVATE LIMITED (FAPL)

The Company was incorporated on May 14, 2010 under the Companies Act, 1956 in the State of Maharashtra. The Company is in the business of agriculture, horticulture, dairy farming, animal husbandry and any process connected with the above and purchase and sale of articles relating to farm products. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mrs. Sonal Somani holds 50% of the total equity holdings.

XI. KISAN COMMODITIES PRIVATE LIMITED (KCPL)

The Company was incorporated on April 06, 2010 under the Companies Act, 1956 in the State of Maharashtra. The Company is engaged in the business of commodity (including commodity derivatives) by way of broking, trading and hedging. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani and Mrs. Sonal Somani hold 50% each of the total equity holdings.

XII. NST REALTY PRIVATE LIMITED (NRPL)

The Company was incorporated on February 10, 2010 under the Companies Act, 1956 in the State of Maharashtra. The Company is engaged in the business of constructing, erecting, building, repairing, etc building structures, houses, apartments, hospitals, etc. by purchasing, leasing or acquiring any land in any way. The Company is not carrying out any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani holds 50% of the total equity holdings.

XIII. GENIO KIDS EDUCATION INDIA PRIVATE LIMITED (GKEIPL)

The Company was incorporated on October 20, 2011 under the Companies Act, 1956 in the State of Maharashtra. The Company is engaged in the business of education by running playschools, Kinder Gardens, Kid Education Parks, Pre-primary Schools etc. and also educational Institutes, Colleges and Schools in India and Abroad. The Company is yet to commence any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani and Mrs. Sonal Somani hold 50% each of the total equity holdings.

XIV. S BE DEVELOPERS PRIVATE LIMITED (SBEDPL)

The Company was incorporated on April 03, 2012 under the Companies Act, 1956 in the State of Maharashtra. The Company is engaged in the business of constructing, erecting, building, repairing, etc building structures, houses, apartments, hospitals, etc. by purchasing leasing or acquiring any land in any way. The Company is yet to commence any business activity as on today.

Nature and extent of interest of the Promoters

As on March 31, 2012 Mr. Nitin Somani holds 50% of the total equity holdings.

Partnership Firms

XV. M/S. FIRST INTERNATIONAL HOTELS (FIH)

FIH is a partnership firm formed under the Indian Partnership Act, 1932 on April 24, 2008 having registration no. BA – 99012. FIH is engaged in the business of running and maintaining hotels of all categories in India and abroad and rendering hospitality services. However, the firm is not carrying out any business as on today as on date.

Nature and extent of interest of the Promoters

As on December 31, 2011 Mr. Nitin Somani & Mrs. Sonal Somani were each 50% partners in the firm having a total Partners Capital of ₹ 594.15 lakhs.

XVI. M/S KRYPTON ESTATE (KE)

Krypton Estate is a partnership firm formed under the Indian Partnership Act, 1932 on August 14, 2009 having registration no. BA – 102435. Krypton Estate is engaged in the business of purchase and sale of properties and of developer, builder, broker, consultant, trader, investor, in the areas of immovable properties and real estate like land, building, plots, malls shops, factories, flats etc. and to do such other business or businesses as agreed upon from time to time. The firm is yet to begin business operations.

Nature and extent of interest of the Promoters

As on December 31, 2011 Mr. Nitin Somani holds 50% share in the firm having a total Partners Capital of ₹ 0.50 lakhs.

XVII. M/S KRYPTON CONSTRUCTORS AND REALTORS (KCR)

Krypton Constructors is a partnership firm formed under the Indian Partnership Act, 1932 on February 11, 2010 having registration no. BA – 103587. Krypton Constructors is engaged in the business of purchase and sale of properties and of developer, builder, broker, consultant, trader, investor, in the areas of immovable properties and real estate like land, building, plots, malls shops, factories, flats etc. and to do such other business or businesses as agreed upon from time to time. The firm yet to commence business operations.

Nature and extent of interest of the Promoters

As on December 31, 2011 Mr. Nitin Somani holds 50% share in the firm having a total Partners Capital of ₹ 199.74 lakhs.

Sole Proprietorships firms**XVIII. M/S FAST TRAIN CARGO (FT)**

FT is a proprietorship firm formed by Mrs. Sonal Somani with service tax registration date as October 17, 2002. FT was formed to do business of Courier and Cargo. Currently the company does not undertake any business and further the Service Tax registration has been surrendered.

Nature and extent of interest of the Promoters

Mrs. Sonal Somani is the proprietor of the firm which has a Capital of ₹ 4.24 lakhs as on March 31, 2011.

XIX. M/S FAST COURIER AND CARGO (FCC)

FC is a proprietorship firm formed by Mr. Nitin Somani with service tax registration date as January 18, 2000. FCC was formed to do business of Courier and Cargo. Currently the company does not undertake any business and the Service Tax registration has been surrendered.

Nature and extent of interest of the Promoters

Mr. Nitin Somani is the proprietor of the firm which has a Capital of ₹ 3.56 lakhs as on March 31, 2011.

Trusts**XX. SOMANI EDUCATION TRUST (SET)**

Somani Education Trust was formed on June 05, 2008 having registration no. E – 25359 dated December 24, 2008. SET is a public trust where its income is mainly on account of donations, investment in shares, interest income and interests on fixed deposits.

Nature and extent of interest of the Promoters

Mr. Nitin Somani and Mrs. Sonal Somani are the trustees of SET which has a Trust fund of ₹ 0.05 lakhs as on March 31, 2011.

HUF

XXI. NITIN SOMANI & SONS HUF (NSS)

NSS is a Hindu Undivided Family formed on January 14, 1996. The HUF does not carry on any business as on date.

Nature and extent of interest of the Promoters

Mr. Nitin Somani is the Karta of the HUF which has a capital of ₹ 10.48 lakhs as on March 31, 2011.

DEFUNCT PROMOTER GROUP ENTITIES

There are no defunct Promoter Group Companies / Entities.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters have disassociated with the following Companies in the last three years:

A) Mr. Nitin Somani

S. No.	Name of the Company of Disassociation	Capacity as a Director / Shareholder	Date of Appointment	Date of Cessation / Termination of Shareholding	Reason for Disassociation	No. of Shares Held	Date of Acquisition of Shares	No. of Shares Transferred	Date of Transfer
1.	Fenix Software Solutions Private Limited	Director	March 06, 2007	July 12, 2009	Retirement	N.A	N.A	N.A	N.A
2.	Spider Prints Private Limited	Director	November 26, 2007	January 05, 2010	Retirement	N.A	N.A	N.A	N.A
3.	Spider Prints Private Limited	Shareholder	-	August 12, 2009	Transfer of Shares	5000	November 26, 2007	5000	August 12, 2009
4.	Mail Express Logistics Private Limited	Director	March 06, 2009	November 26, 2009	Retirement	N.A	N.A	N.A	N.A
5.	Mail Express Logistics Private Limited	Shareholder	-	November 26, 2009	Transfer of Shares	2000	June 03, 2009	2000	November 26, 2009

B) Mrs. Sonal Somani

S. No.	Name of the Company of Disassociation	Capacity as a Director / Shareholder	Date of Appointment	Date of Cessation / Termination of Shareholding	Reason for Disassociation	No. of Shares Held	Date of Acquisition of shares	No. of Shares Transferred	Date of Transfer
1	Mail Express Logistics Private Limited	Director	March 06, 2009	November 26, 2009	Retirement	N.A	N.A	N.A	N.A
2	Mail Express Logistics Private Limited	Shareholder	-	November 26, 2009	Transfer of Shares	2000	June 03, 2009	2000	November 26, 2009
3	Finex Express Cargo Private Limited	Director	January 06, 2007	January 05, 2010	Retirement	N.A	N.A	N.A	N.A
4	Finex Express Cargo Private Limited	Shareholder	-	July 12, 2009	Transfer of Shares	7500	June 01, 2007	7500	July 12, 2009

COMMON PURSUITS

Our Promoter Group Entities viz, Fast Air Cargo Private Limited, Shree Fast Courier and Cargo Private Limited, Focal Courier and Cargo Private Limited, Eswar Air Freight Private Limited, M/s Fast Train and M/s Fast Courier and Cargo are involved in a similar line of business as that of our Company i.e. logistics. As on date, our Company has not signed any non-compete or such other agreement / document with our Group Entities, thus the interests of these entities may conflict with our Company's interests and / or with each other if these entities expand their business in the future.

CURRENCY OF PRESENTATION

In this DRHP, unless the context otherwise requires, all references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “million” means “Ten lakhs” and the word “Crore” means “ten million” and the word “billion” means “One thousand million” and the word “trillion” means “One thousand billion”. Throughout this DRHP, all the figures have been expressed in lakhs of Rupees, except when stated otherwise.

In this DRHP, all references to “Rupees” and “Rs.” and “Indian Rupees” and “₹” are to the legal currency of the Republic of India; all references to “U.S. Dollars” and “US\$” are to legal currency of the United States.

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

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board 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. Further, pursuant to the terms of the term loans obtained by our Company, prior written consent of the lenders of our Company is required to pay any dividends. The Board may also from time to time pay interim dividend. All dividend payments are made in cash to the shareholders of our Company.

We have not declared any dividend on the Equity Shares since inception.

Our dividend policy in the past is not necessarily indicative of our dividend policy or dividend amounts in the future.

SECTION VI: FINANCIAL STATEMENTS**FINANCIAL INFORMATION****REPORT OF THE AUDITORS ON FINANCIAL STATEMENT**

The Board of Directors
FAST TRAIN CARGO LIMITED
 Victoria House, Office No. 1-A,
 Victoria Mill Compound,
 Opp. Bombay Dyeing, Lower Parel,
 Mumbai – 400013.

Dear Sirs,

We have examined the Financial Information of **FAST TRAIN CARGO LIMITED** [hereinafter referred to as ‘the Company’] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Draft Red Herring Prospectus in connection with the proposed Initial Public Offer of Equity Shares of the Company.

In terms of the requirement of:

- a. Paragraph B (1) of Part – II of Schedule II to the Companies Act, 1956,.
- b. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, ‘SEBI (ICDR) Regulations’;
- c. The appointment letter dated August 01, 2011, requesting us to issue a report as Statutory Auditors relating to the Draft Red Herring Prospectus being issued by the Company in connection with the Initial Public Offer of Equity Shares of the Company.

Financial Information as per audited financial Statements:

- a. We have examined the accompanied ‘Statement of Adjusted Profits and Losses’ (**Annexure – II**) for the Five financial years ended on 31st March 2008, 2009, 2010, 2011 and 2012 and the ‘Statement of Adjusted Assets and Liabilities’ (**Annexure – I**) as on those dates, forming Part of the ‘Financial Information’ dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company’s management. The information have been extracted from the financial statements for the financial year ended 31st March 2008, 2009, 2010, 2011 audited by M/s A.Q. Shaikh & Co., Chartered Accountants being the Statutory auditors for those years, and is re-audited by us for the financial year ended 31st March 2011, and financial year ended 31st March 2012 audited by us, approved by the Board of Directors and adopted by the Members in those respective financial years. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by M/s A.Q. Shaikh & Co., Chartered Accountants and upon which we have placed our reliance while reporting.
- b. Based on the above (a) and also as per the reliance made on the reports submitted by the statutory auditor of the company for the respective years, we report as under:-
 - (i) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company as at the end of each of the five financial years ended on 31st March 2008, 2009, 2010, 2011 and 2012, reflect the assets and liabilities and profits and losses extracted from the Balance Sheets and Profit and Loss Accounts for the financial years ended 31st March 2008, 2009, 2010, 2011 audited by M/s A.Q. Shaikh & Co., Chartered Accountants being the Statutory auditors for those years, and is re-audited by us for the financial year ended 31st March 2011, and for the financial year ended 31st March 2012 audited by us, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of “the SEBI (ICDR) Regulations.”

- (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Part – II of Schedule II of the Companies Act, 1956, and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Draft Red Herring Prospectus, extracted from each of the financial years ended 31st March 2008, 2009, 2010, 2011 audited by M/s A.Q. Shaikh & Co., Chartered Accountants being the Statutory auditors for those years, and is re-audited by us for the financial year ended 31st March 2011, and for the financial year ended 31st March 2012 audited by us, and annexed to this report:

- i) Statement of the Cash Flow of the Company (Annexure – III)
- ii) Details of Outstanding Secured & Unsecured Loans taken by the Company (Annexure – VI & VII)
- iii) Schedule of Investments (Annexure – VIII)
- iv) Schedule of Sundry Debtors and Loans & Advances (Annexure – IX & X)
- v) Details of Other Income (Annexure – XI)
- vi) Schedule of Related Party Transactions (Annexure – XII)
- vii) Statement of Contingent Liability (Annexure – XIII)
- viii) Statement of Dividend Paid (Annexure – XIV)
- ix) Capitalization Statement (Annexure – XV)
- x) Summary of Accounting Ratios (Annexure – XVI)
- xi) Statement of Tax Shelter (Annexure – XVII)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by us or by the other firm of Chartered Accountants, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of Fast Train Cargo Limited, for the purpose of its inclusion in the said Draft Red Herring Prospectus (DRHP) in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

This report may not be used or relied upon by or disclosed, referred to or communicated by yourself (in whole or in part) to any third party for any purpose other than the stated use, except with our written consent in each instance and which consent may be given only after full consideration of the circumstances at that time.

For and on behalf of

**Sandeep Rathi & Associates,
Chartered Accountants**

Sandeep Rathi
Proprietor
Membership No. 047377
Firm Registration No. 113728W
Peer Review Certificate No. – 004156

Place: Mumbai.
Date: April 20, 2012

Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Fixed Assets:					
Gross Block	1,340.70	521.53	470.11	427.48	237.32
Less : Depreciation	181.16	169.19	107.82	52.78	17.06
Net Block (A)	1,159.54	352.34	362.29	374.70	220.26
Investments (B)	0.00	0.00	0.00	0.00	0.00
Current Assets , Loans and Advances					
Inventories	0.00	0.00	0.00	0.00	0.00
Sundry Debtors	1,606.97	1,180.39	1,040.16	766.02	538.12
Cash and Bank Balances	25.01	32.08	19.30	16.68	56.03
Loans and Advances	388.17	213.90	491.17	591.06	212.33
Total (C)	2,020.15	1,426.37	1,550.63	1,373.76	806.48
Liabilities and Provisions:					
Secured Loans	535.02	169.26	252.10	522.34	194.61
Unsecured Loans	0.00	0.00	0.00	19.45	120.70
Current Liabilities (Creditors)	439.98	962.26	1,313.97	928.25	538.07
Provisions	332.25	157.25	72.55	82.87	51.36
Deferred Tax Liability	34.67	0.50	4.07	6.15	3.33
Total (D)	1,341.92	1,289.27	1,642.69	1,559.06	908.07
NETWORTH (A+B+C-D)	1,837.77	489.44	270.23	189.40	118.67
Represented by:					
Share Capital	550.00	10.00	10.00	10.00	10.00
Reserve & Surplus	1,299.77	479.44	260.23	179.45	108.77
Less: Miscellaneous Expenditure not w/o	12.00	0.00	0.00	0.05	0.10
NETWORTH	1,837.77	489.44	270.23	189.40	118.67

Annexure II.

STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Income					
Operating Income	6,508.16	4,143.81	3,542.44	2,308.77	1,941.54
Other Income	33.79	1.27	6.17	6.05	5.06
Total Income	6,541.95	4,145.08	3,548.61	2,314.82	1,946.60
Expenditure					
Operating Expenses	5,051.51	3,375.26	3,058.51	1,891.91	1,648.89
Personnel Costs	249.54	82.15	81.51	66.80	54.39
Administration and other Expenses	373.93	255.15	158.27	85.55	76.99
Selling & Distribution Expenses	21.07	10.91	19.75	15.11	15.09
Total Expenditure	5,696.05	3,723.47	3,318.04	2,059.37	1,795.36
Profit Before Interest, Depreciation and Taxes	845.90	421.61	230.57	255.45	151.24
Less: Depreciation	111.37	61.36	55.05	41.64	15.28
Profit Before Interest, and Taxes	734.53	360.25	175.52	213.81	135.96
Less: Interest & Financial Charges	62.04	25.61	58.52	108.75	12.96
Less: Preliminary / Deferred Revenue Expenses w/o during the year	3.00	0.00	0.05	0.05	0.05
Profit before Tax and Extraordinary Items	669.49	334.64	116.95	105.01	122.95
Less: Provision for Taxation					
Provision for Current Tax	175.00	119.00	38.25	29.65	35.47
Provision for Deferred Tax	33.68	(3.57)	(2.08)	2.82	3.33
Provision for Fringe Benefit Tax	0.00	0.00	0.00	1.86	1.47
Add: Depreciation of earlier year	0.00	0.00	0.00	0.00	1.66
Net Profit after Tax	460.81	219.21	80.78	70.68	84.34

Annexure III
RESTATED CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit Before Tax and Extraordinary Items	680.78	334.64	116.95	105.01	122.95
<i>Adjustment for:</i>					
Depreciation	111.37	61.36	55.05	41.64	15.28
Interest and Financial Charges	62.04	25.61	58.52	108.75	12.96
Loss / (Profit) on Sale of Assets	(27.44)	0.00	0.00	0.00	0.00
Dividend Received	0.00	0.00	0.00	0.00	0.00
Interest Income	(6.36)	(1.27)	(6.17)	(6.05)	(5.06)
Miscellaneous Exp. Written Off	3.00	0.00	0.05	0.05	0.05
Operating Profit Before Working Capital Changes	823.39	420.34	224.4	249.40	146.18
<i>Adjustment for:</i>					
Decrease / (Increase) in Inventories	0.00	0.00	0.00	0.00	0.00
Decrease / (Increase) in Trade Receivables and Other Debtors	(426.59)	(140.22)	(274.14)	(227.90)	(224.43)
Decrease / (Increase) in Loans & Advances	(174.27)	277.27	99.88	(378.73)	(181.56)
(Decrease) / Increase in Trade Payable & Other Liabilities	(634.91)	(351.71)	385.72	390.18	357.69
Cash Generated From Operations	(412.38)	205.68	435.86	32.95	97.88
Direct Taxes Refund / (Paid) Net	0.00	(34.30)	(48.57)	0.00	0.00
Net Cash from Operating Activities (A)	(412.38)	171.38	387.29	32.95	97.88
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(998.11)	(51.42)	(48.43)	(223.32)	(211.66)
Sales of Fixed Assets	106.99	0.00	5.80	27.24	0.00
Dividend Received	0.00	0.00	0.00	0.00	0.00
Interest Income	6.36	1.27	6.17	6.05	5.06
Deferred Revenue Expenses	(15.00)	0.00	0.00	0.00	0.00
Advance against sale of Fixed Assets	101.34	0.00	0.00	0.00	0.00
Net Cash from Investing Activities (B)	(798.42)	(50.15)	(36.46)	(190.03)	(206.60)
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	90.00	0.00	0.00	0.00	9.00
Money received towards Share Premium	810.00	0.00	0.00	0.00	0.00
Proceeds from Secured Loan (Net)	365.77	(82.84)	(270.24)	327.73	189.80
Proceeds from Unsecured Loans (Net)	0.00	0.00	(19.45)	(101.25)	(23.42)
Interest and Finance Charges	(62.04)	(25.61)	(58.52)	(108.75)	(12.96)
Dividend Paid (including Dividend Tax)	0.00	0.00	0.00	0.00	0.00
Net Cash from Financing Activities (C)	1,203.73	(108.45)	(348.21)	117.73	162.42
Net increase in cash and cash equivalents (A+B+C)	(7.07)	12.78	2.62	(39.35)	53.70
Cash and Cash equivalent at the beginning of the year	32.08	19.30	16.68	56.03	2.33
Cash and Cash equivalent at the end of the year	25.01	32.08	19.30	16.68	56.03

Note: Cash Flow is not disclosed in the Audited Financials as per AS – 3 for the FY ended March 2008, 2009 & 2010 which has now been duly complied with in the Restated Financial Statements for the period mentioned above.

Annexure IV**SIGNIFICANT ACCOUNTING POLICIES****1. System of Accounting**

- a) The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act 1956.
- b) The financial statements have been prepared under the historical cost convention on accrual basis of accounting. The accounting policies have been consistently applied by the Company and are in line with those used last year.

2. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles. It requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

3. Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses if any. Cost comprises of the purchase price and any cost attributable bringing the asset to its working condition for its intended use.

4. Depreciation/ Amortization

- a) Depreciation is provided on fixed assets on straight line basis in accordance with the rates prescribed in Schedule XIV of the Companies Act 1956.
- b) The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to SLM method at the rates prescribed under Schedule XIV of the Companies Act 1956. The method of providing depreciation is changed with retrospective effect from the first year of the Company's operation till date and the difference in depreciation amount is written back during the year.

5. Impairment

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and the value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

6. Valuation of Inventories

The Company is in the business of rendering services and hence does not hold any inventories.

7. Investments

The Company has not made any investment during the period.

8. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured. Income from operations mainly comprises of Income from Logistics Services, representing the gross value of services rendered by the Company to its customers.

Income is accounted when services are completed in accordance with the contracts entered into with the customers.

9. Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of Notes to financial statements.

10. Employee Benefits

- i) All employee benefits payable within twelve months of rendering the services are classified as short term employee benefits such as salaries, performance incentives etc, and are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the employee renders the related service.
- ii) Leave encashment benefits are charged to Profit & Loss Account in each year on the basis of actual payment made to employee. There are no rules for carried forward leave.
- ii) The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated in the year 2012 by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value.
- iii) Provident fund: In respect of employees, the Company makes specified monthly contribution towards the employees' provident fund to the provident fund organisation administered by the Central Government.
- iv) ESIC: The employees of the company covered are entitled to receive benefits under the act, a defined contribution plan in which both of the employee and the company contribute monthly at a stipulated rate. The Company recognizes such contribution as an expense in the year it is incurred.

11. Defined Benefits plans

Defined benefit plans of the Company comprise gratuity, provident fund and ESIC.

a. Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the profit and loss account.

b. Provident Fund

In respect of employees, the Company makes specified monthly contribution towards the employees' provident fund to the provident fund trust administered by the Central Government. The minimum interest payable by the provident fund trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on respective investments of the trust and the notified interest rate.

c. ESIC

The employees of the company covered are entitled to receive benefits under the act, a defined contribution plan in which both of the employee and the company contribute monthly at a stipulated rate. The company recognizes such contribution as an expense in the year it is covered.

12. Segment Reporting

The Company is engaged in only one segment of business which is Logistics Services. The company operates in only one geographical segment viz. India.

13. Related Party Disclosure

Disclosure of related parties as required by the accounting standard is furnished in the Notes on accounts.

14. Tax***Current Tax***

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and tax laws enacted as on the Balance Sheet date.

15. Deferred Revenue Expenditure

Deferred Revenue Expenditure is written off over the period of Five Years.

16. Borrowing Cost :

Borrowing Costs that are attributable to the acquisition, construction of qualifying assets are capitalized as part of cost of such assets up to date the assets are ready for its intended use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

17. Leases:

Assets acquired on Leases, where a significant portion of risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rental are charged to Profit and Loss Account on accrual basis.

18. Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders by weighted average number of equity share outstanding during the reporting year.

Annexure V

MAJOR NOTES FORMING PART OF THE ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the Year Ended March 31,				
	2012	2011	2010	2009	2008
<i>Whole Time Directors Remuneration</i>					
Salaries and Allowances	3.40	0.00	0.00	0.00	0.00
<i>Non Whole Time Directors Remuneration</i>					
Sitting Fees	0.50	0.00	0.00	0.00	0.00

2. Deferred Tax

Deferred Tax is calculated on the Timing Difference between W. D. V. of Fixed Assets as per Companies Act and as per Income Tax Act.

(₹ in lakhs)

Particulars	For the Year Ended March 31,				
	2012	2011	2010	2009	2008
As Per Company Act (including Depreciation on asset sold)	111.37	61.36	55.06	41.64	15.28
As Per Income Tax Act	226.46	50.61	48.31	50.78	23.46
Timing Difference	(115.09)	10.75	6.75	(9.14)	(8.19)
Gratuity As Per Company Act	11.29	0.00	0.00	0.00	0.00
Gratuity As Per Income Tax Act	0.00	0.00	0.00	0.00	0.00
Timing Difference (B)	11.29	0.00	0.00	0.00	0.00
Timing Difference (A+B)	(103.80)	10.75	6.75	(9.14)	(8.19)
Rate	32.45%	33.22%	30.90%	30.90%	33.90%
Closing Bal. of Deferred Tax Asset / Liability	(33.68)	3.57	2.09	(2.82)	(2.78)

* Closing balance of Deferred Tax until the year ended March 2007 is ₹(0.56) lakhs

3. Remuneration to Statutory Auditors:

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Audit Fees	3.37	2.00	2.00	1.20	1.20
Tax Audit Fees	0.00	0.75	0.75	0.30	0.30
Company Law Matter	0.00	0.50	0.50	0.00	0.00
Income Tax Matter	0.00	0.25	3.08	0.00	0.00
Total	3.37	3.50	6.33	1.50	1.50

Note: All the above expenses paid to the statutory auditors for different purpose have been clubbed under the head Auditors Remuneration in the Audited Financials of the year ended 2008, 2009, 2010 and 2011.

- In the opinion of Board of Directors, the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.
- Balances of Sundry Debtors and Sundry creditors are subject to confirmation.
- The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
- Our company has taken a Godown at Sewree, Mumbai, on tenancy rights basis, the agreement of which is in the name of one of the Directors. Our Company has paid the full consideration and has obtained affidavit from the concerned Director that the actual tenancy rights is of the company and he has no tenancy rights in the said property.

8. The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2012 as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year is NIL.

9. Contingent Liability

Contingent Liability includes outstanding amount in respect of Loan taken by Directors and Group Entities against mortgage of assets of Directors / Group Entities where our Company is standing as a Co- Applicant and claims against the company pending due to ongoing litigations towards Labour court, Workmen Compensation Commissioner & Employees claim for accidental benefits.

10. Details of Employee Benefits as required by the AS – 15 are given below:

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Provident Fund					
Employee Contribution	0.64	0.11	0.09	0.25	0.00
Employer Contribution	0.73	0.28	0.24	0.66	0.00
ESIC					
Employee Contribution	1.07	0.00	0.00	0.00	0.00
Employer Contribution	2.87	0.00	0.00	0.00	0.00
Total	5.31	0.39	0.33	0.91	0.00

Note:

- 1) As Per AS-15, in respect of retirement benefits, Company deducts the provident fund of the employee @12% and same is deposited into the Central Government A/c. Besides this company also contributed @13.61% as own contribution and same is also deposited into Central Government A/c by charging it into statement of Profit & Loss a/c for the year.
- 2) As Per AS-15, in respect of retirement benefits, company deducts the E.S.I.C. of the employee @1.75% and same is deposited into the Central Government A/c. Besides this company also contributed @4.75% as own contribution and same is also deposited into Central Government A/c by charging it into statement of Profit & Loss a/c for the year.

11. Accounting for taxes on income

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

12. Earnings Per share

Basic Earnings per Share is calculated on Weighted Average number of Equity shares during the year. Further, while calculating Weighted Average number of Equity shares, period up to March 31, 2012 has been taken into consideration.

13. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

14. Information regarding Foreign Exchange earnings and expenditure:

Earning in Foreign Exchange: NIL
Expenditure in Foreign Exchange: NIL

NOTES FOR MATERIAL RE-GROUPING

Regrouping Notes for Balance Sheet

1. In Audited Financial Statements for F. Y. 2008, 2009 & 2010 Amount of ₹ 31.50 lakhs paid towards Advance against Capital Goods was shown under Advance Recoverable in cash or kind. The same has now been rectified & shown separately in Restated Financial Statements.
2. The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to SLM method at the rates prescribed under Schedule XIV of the Companies Act 1956. The method of providing depreciation is changed with retrospective, i.e. from the first year of the Company's operation till date. Hence the amount of Net Block for the Financial Year ended March 31, 2008, 2009, 2010 and 2011 have been adjusted in the Restated Financials.
3. In the audited Financial Statements for F. Y. 2008, 2009, 2010, 2011 and 2012 current liabilities and Provisions have been shown as a combined figure in the Balance Sheet. The same has been rectified and shown separately on the face of the Balance Sheet in the Restated Financial Statements.

Regrouping Notes for Profit & Loss Account

1. In Audited Financial Statements for F.Y. 2011 and 2012, Preliminary Expenses W/off was shown under Administration Expenses. The same has now been rectified & shown separately in Restated Financial Statements.
2. In Audited Financial Statements for F.Y. 2008, 2009 and 2010 Preliminary Expenses W/off was shown under Non Cash Charges. The same has now been rectified & shown separately in Restated Financial Statements.
3. In Audited Financial Statements for F.Y. 2008, 2009 and 2010, Depreciation was shown under Non Cash Charges. The same has now been rectified & shown separately in Restated Financial Statements.
4. In Audited Financial Statements for F.Y. 2008, 2009, 2010 and 2011 Advertisement and Business Development Expenses was shown under Administration Expenses. The same has now been rectified & shown separately under Selling and Distribution Expenses in Restated Financial Statements.
5. The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to SLM method at the rates prescribed under Schedule XIV of the Companies Act 1956. The method of providing depreciation is changed with retrospective i.e. from the first year of the Company's operation till date. The above change in Accounting Policy has the following effect:

a. Change in Depreciation

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Depreciation as per Audited Financials	111.37	50.61	48.31	50.78	23.46
Changes in Depreciation in Restated Financials	111.37	61.36	55.05	41.64	15.28
Difference in Depreciation	0.00	(10.75)	(6.74)	9.14	8.18

b. Change in Deferred Tax

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Deferred Tax as per Audited Financials	34.18	0.00	0.00	0.0	0.00
Changes in Deferred Tax in Restated Financials	33.68	(3.57)	(2.08)	2.82	3.33
Difference in Deferred Tax	0.50	3.57	2.08	(2.82)	(3.33)

*Closing balance of Deferred Tax for the year ended March 2006 is ₹(0.13) lakhs and March 2007 is ₹(0.42) lakhs

c. Change in Net Profit

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Net Profit as per Audited Financials	461.31	226.39	85.44	64.36	77.83
Difference in Depreciation	0.00	(10.75)	(6.74)	9.14	8.18
Depreciation of earlier years written back	(1.50)	0.00	0.00	0.00	1.66
Difference in Deferred Tax	0.50	3.57	2.08	(2.82)	(3.33)
Difference in Deferred Tax for earlier year	0.50	0.00	0.00	0.00	0.00
Net Profit as per Restated Financials	460.81	219.21	80.78	70.68	84.34

6. Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and tax laws enacted as on year ended March 31, 2008, 2009, 2010 and 2011.

Regrouping Notes for Cash Flow

- AS – 3 has not been strictly complied with in the Audited Financial Statements for F.Y. 2008, 2009 and 2010. However, the same has been rectified and detailed Cash Flow has been provided in the Audited Financials of F.Y. 2011 and 2012 and in the Restated Financial Statements.
- The amount of Tax paid shown in the Restated Cash of ₹ 48.57 lakhs for the Financial Year 2010 and ₹ 34.30 lakhs for the Financial Year 2011 are pertaining to provisions made for Tax in the earlier years which has been assumed to be processed and subsequently adjusted against the TDS deducted and paid by the Customers shown under the head Loans & Advances as Income Tax Payment.
- The amount of Increase / (Decrease) in Trade Payables does not include the amount of ₹ 101.34 lakhs received as advance against sale of fixed asset, as given in the audited financials for the FY 2012. The above amount of ₹ 101.34 lakhs has been shown under Cash flow from Investing Activities separately.
- The amount of Sale of Fixed Assets represents the amount of actual cost of asset sold less its accumulated depreciation plus the profit on sale of Assets.

Annexure VI**Schedule of Secured loan, as Restated**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Vehicle Loan (Vehicle Loan From Banks / Financial Institutions)	438.21	66.55	142.01	162.13	53.62
Loan against Property (Secured against personal assets of Directors)	96.81	102.71	110.09	358.80	0.00
Overdraft from Banks (Secured against hypothecation of Sundry Debtors)	0.00	0.00	0.00	1.41	89.84
Overdraft from Banks (Secured against hypothecation of Fixed Deposit)	0.00	0.00	0.00	0.00	51.15
Total	535.02	169.26	252.10	522.34	194.61

Note: For details of Secured Loans refer to the Chapter “Financial Indebtedness” on page no. 167 in the DRHP.

Annexure VII**Schedule of Unsecured loan, as Restated**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
From Directors / Relatives of Directors	0.00	0.00	0.00	0.00	15.35
Inter Corporate Deposits	0.00	0.00	0.00	19.45	105.35
Total	0.00	0.00	0.00	19.45	120.70

The Company had borrowed the above amount from Promoter / Promoter Group Entities on the following terms and conditions:

Sr. No.	Terms and Conditions	Particulars
1.	Rate of Interest	Nil
2.	Security	Unsecured
3.	Tenure	N. A.

Annexure VIII**Schedule of Investments, as Restated**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Long term Investments	0.00	0.00	0.00	0.00	0.00
Short term Investments	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00

Annexure IX**Schedule of Sundry Debtors, as Restated**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Debt outstanding exceeding six months:					
Considered Good					
Receivable from Promoter / Promoter Group Co.	0.00	0.00	0.00	0.00	0.00
Others	298.32	125.36	0.00	0.00	168.05
Less: Provision	0.00	0.00	0.00	0.00	0.00
Sub - Total (A)	298.32	125.36	0.00	0.00	168.05
Debt outstanding not exceeding six months:					
Considered Good					
Receivable from Promoter / Promoter Group Co.	148.85	91.83	6.37	0.00	0.00
Others	1,159.80	963.19	1033.79	766.02	370.07
Less: Provision	0.00	0.00	0.00	0.00	0.00
Sub - Total (B)	1,308.65	1055.02	1,040.16	766.02	370.07
Total (A+B)	1,606.97	1180.38	1,040.16	766.02	538.12

Annexure X**Schedule of Loans & Advances, as Restated**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
TDS and Advance Tax	238.70	131.81	84.64	91.03	48.12
Security Deposit	51.86	0.00	0.00	0.00	0.00
Advance to Staff	0.00	0.00	3.76	0.00	0.00
Advance to Capital Goods Suppliers	69.38	79.89	31.50	31.50	31.50
Prepaid Charges	5.48	0.00	0.00	0.00	0.00
Advances related to proposed IPO	14.25	0.00	0.00	0.00	0.00
Other Loans and Advances (Recoverable in cash or kind)	8.50	2.20	371.27	468.53	132.71
Total	388.17	213.90	491.17	591.06	212.33

The Other Loans and Advances include the following receivable from related parties:

(₹ in lakhs)

Particular	For the year ended March 31,				
	2012	2011	2010	2009	2008
Finex Express Cargo Pvt. Ltd	0.00	0.00	2.97	0.00	0.00
Spider Prints Pvt. Ltd	0.00	0.00	33.23	33.23	26.45

Mr. Nitin Somani	0.00	0.00	48.85	239.39	86.75
Fast Air Cargo Pvt. Ltd	0.00	0.00	14.89	109.41	0.00
First International Hotels	0.00	0.00	268.85	60.00	0.00
Mrs. Sonal Somani	0.00	0.00	2.49	26.50	0.00
NST Realty Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00

Annexure XI
Schedule of Other Income, as Restated

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Net Profit Before Tax and Extraordinary Items	680.78	334.64	116.95	105.01	122.95
20% of Net Profit Before Tax	136.16	66.93	23.39	21.00	24.59
Other Income Details					
Profit from sale of Asset	27.44	0.00	0.00	0.00	0.00
Interest Income from Fixed Deposit	6.35	1.27	6.17	6.05	5.07
Total	33.79	1.27	6.17	6.05	5.07

Annexure XII
Schedule of Related Party Disclosures, as Restated

Promoters /Directors

- i) Mr. Nitin Somani
- ii) Mrs. Sonal Somani
- iii) Mr. Manoj Prabhudas Somani
- iv) Mr. Salim Ismail Shaikh

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
SHARE CAPITAL SUBSCRIBED (Including Securities Premium)					
Mr. Nitin Somani	40.00	0.00	0.00	0.00	4.50
Mrs. Sonal Somani	40.00	0.00	0.00	0.00	4.50
Mr. Manoj Prabhudas Somani	1.00	0.00	0.00	0.00	0.00
Mr. Salim Ismail Shaikh	1.00	0.00	0.00	0.00	0.00
UNSECURED LOANS					
Mr. Nitin Somani	0.00	0.00	0.00	0.00	0.00
Mrs. Sonal Somani	0.00	0.00	0.00	0.00	15.34
Mr. Manoj Prabhudas Somani	0.00	0.00	0.00	0.00	0.00
LOANS & ADVANCES					
Mr. Nitin Somani	0.00	0.00	48.85	239.39	86.75
Mrs. Sonal Somani	0.00	0.00	2.49	26.50	0.00
Mr. Manoj Prabhudas Somani	0.00	0.00	0.00	0.00	0.00
REMUNERATION					
Mr. Nitin Somani	1.00	0.00	0.00	0.00	0.00
Mrs. Sonal Somani	0.80	0.00	0.00	0.00	0.00
Mr. Manoj Prabhudas Somani	0.80	0.00	0.00	0.00	0.00
Mr. Salim Ismail Shaikh	0.80	0.00	0.00	0.00	0.00
Total	3.40	0.00	0.00	0.00	0.00
RENT					
Mr. Nitin Somani	18.73	0.00	0.00	0.00	0.00

Associates

- i) Hasti Finance Ltd.
- ii) Shree Fast Courier & Cargo Pvt. Ltd.
- iii) Fast Air Cargo Pvt. Ltd

- iv) Fast Realty Pvt. Ltd
- v) Shabd Brahma Developers Pvt. Ltd
- vi) Fast Agri Farms Pvt. Ltd.
- vii) Fenix Software Solutions Pvt. Ltd.
- viii) First International Hotels Pvt. Ltd.
- ix) Eswar Air Freight Pvt. Ltd.
- x) Focal Courier & Cargo Pvt. Ltd.
- xi) Kisan Commodities Pvt. Ltd.
- xii) NST Realty Pvt. Ltd.
- xiii) Genio Kids Education India Pvt. Ltd.
- xiv) First International Hotels – Partnership Firm
- xv) Nitin Somani (HUF)
- xvi) Somani Realty Pvt. Ltd.
- xvii) Fortune Transport Services Pvt. Ltd.
- xviii) S Be Developers Pvt. Ltd.
- xix) New Fast Logistics

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
SHARE CAPITAL SUBSCRIBED (Including Securities Premium)					
Hasti Finance Limited	635.00	0.00	0.00	0.00	0.00
UNSECURED LOANS					
Fast Air Cargo Pvt. Ltd.	0.00	0.00	0.00	0.00	7.31
Shree Fast Cargo Pvt. Ltd.	0.00	0.00	0.00	7.02	83.40
FTC Cargo	0.00	0.00	0.00	0.00	50.22
Fast Realty Pvt. Ltd.	0.00	0.00	0.00	11.33	14.63
Finex Express Cargo Pvt. Ltd.	0.00	0.00	0.00	0.18	0.00
Nitin Somani HUF	0.00	0.00	0.00	0.92	0.00
LOANS & ADVANCES					
Fast Realty Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00
Spider Prints Pvt. Ltd.	0.00	0.00	33.23	33.23	26.45
First International Hotels	0.00	0.00	268.85	60.00	0.00
Fast Air Cargo Pvt. Ltd.	0.00	0.00	14.89	109.41	0.00
Finex Express Cargo Pvt. Ltd.	0.00	0.00	2.79	0.00	0.00
AMOUNT DUE FROM DEBTORS					
Spider Prints Pvt. Ltd.	30.37	22.09	5.94	0.00	0.00
Spider Display Systems Pvt. Ltd.	0.53	0.22	0.43	0.00	0.00
Finex Express Cargo Pvt. Ltd.	0.00	66.14	0.00	0.00	0.00
Shree Fast Courier & Cargo	113.36	0.00	0.00	0.00	0.00
Fast Air Cargo Pvt. Ltd.	4.58	0.00	0.00	0.00	0.00
Shirish Express Logistics Pvt. Ltd.	0.00	3.38	0.00	0.00	0.00
AMOUNT DUE TO CREDITORS					
Finex Express Cargo Pvt. Ltd.	1.04	0.00	16.55	0.00	0.00
Shirish Express Logistics Pvt. Ltd.	0.23	0.78	0.00	0.00	0.00
Nitin Somani (HUF)	1.82	0.00	0.00	0.00	0.00
New Fast Logistics	0.00	61.54	0.00	0.00	0.00

Note: Related Party relationship in terms of Accounting Standard 18 as given above is pointed out by the management and relied upon by the Auditors.

Annexure XIII

Statement of Contingent Liability, as Restated

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Outstanding amount in respect of loan taken by Directors and Group Entities against mortgage of personal assets of Directors where our Company is standing as a Co- Applicant					
I. Loan taken from Citibank	223.32	225.92	235.19	241.94	0.00
II. Overdraft facility enjoyed by Shree Fast Courier & Cargo Pvt. Ltd.	125.46	324.06	313.07	400.00	0.00

III.	Loan availed by Group Company from Standard Chartered Bank	127.79	128.51	134.45	136.37	0.00
IV.	Interest amount due on loan taken by Directors from Citibank	11.06	11.56	9.87	8.42	0.00
Claim against the company pending due to ongoing litigations						
I.	Pending case before Labour court, workmen compensation commissioner	3.39	3.39	3.39	0.00	0.00
II.	Employees claim for accidental benefits	0.50	0.50	0.50	0.00	0.00

Note: We had not followed AS-29 i.e. we had not disclosed contingent liability in books of accounts in the FYs 2009, 2010 & 2011. However, we have disclosed the same in the Audited Financial Statements for the year ended March 31, 2012 and in the Restated Financial Statements with retrospective.

Annexure XIV Statement of Dividend, as Restated

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
On Equity Shares					
Fully Paid up Share Capital	550.00	10.00	10.00	10.00	1.00
Face Value (₹)	10/-	10/-	10/-	10/-	10/-
Paid up Value per Share (₹)	10.00	10.00	10.00	10.00	10.00
Rate of Dividend	0.00%	0.00%	0.00%	0.00%	0.00%
Total Dividend	0.00	0.00	0.00	0.00	0.00
Corporate dividend tax on above	0.00	0.00	0.00	0.00	0.00

Annexure XV Statement of Capitalisation

(₹ in lakhs)

Particulars	Pre Issue as at March 31, 2012	Post Issue
Borrowings:		
Short term Debt	13.29	1.00
Long Term Debt	521.73	1.00
Total Debt	535.02	1.00
Shareholders' Funds:		
Share Capital	550.00	1.00
Reserve & Surplus	1,299.77	1.00
Less : Misc. expenditure not written off	12.00	1.00
Total Shareholders' Funds	1,837.77	1.00
Long Term Debt/Shareholders fund	0.28	1.00

Notes:

1. Short Term Debt represents debts which are due within thirty six months from March 31, 2012
2. Long term debt represent other than short-term debts as defined above
3. The figures disclosed above are based on the Audited Financials of the Company as at March 31, 2012.
4. Information pertaining to post issue can be calculated on the conclusion of the book building process.

Annexure XVI Significant Accounting Ratios

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Earnings Per Share (EPS)					
Net Profit after Tax	460.81	219.21	80.78	70.68	84.34
No. of equity Share (Weighted)	5,052,608	4,600,000	4,600,000	4,600,000	539,397
Earnings Per Share (EPS) ₹	9.12	4.77	1.76	1.54	15.65
Net Assets Value (NAV)					

Net Assets	1,837.77	489.44	270.23	189.40	118.67
No. of equity Share (outstanding)	5,500,000	100,000	100,000	100,000	100,000
NAV per Share (₹)	33.41	489.44	270.23	189.40	118.67
Return on Net Worth					
PAT	460.81	219.21	80.78	70.68	84.34
Net Worth	1,837.77	489.44	270.23	189.40	118.67
Return on Net Worth (RONW) %	25.07	44.79	29.89	37.32	71.07

The Ratios have been computed as per the following formula:

- Earning per Equity Share: (Adjusted Net Profit after Tax)/ (Weighted Average number of Equity Shares)
- Net Asset Value: (Adjusted Net assets after reduction of Miscellaneous Expenditure not written off)/(Equity Shares outstanding at the end of year)
- Return on Net Worth: (Adjusted Net Profit after Tax/Adjusted Equity Share holders Fund after reduction of Miscellaneous Expenditure not written off at the end of the year)
- Net Profit, as restated and appearing in the statement of profit and losses has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial statements of the Company
- Earnings per share calculations have been done in accordance with Accounting standard- 20 "Earning per share" issued by the Institute of Chartered Accountants of India

Calculation of Weighted Average Number of Shares during each year

For the Year Ended 2011-2012

Date	No. of Shares allotted	Particulars of Shares	No. of Days	Products	No. of Shares
	(A)		(B)	(C) = (A) * (B)	(C) / 365
01.04.2011	100,000	Outstanding on Date	365	36,500,000	
01.04.2011	4,500,000	Bonus on 06.09.2011	365	1,642,500,000	
08.09.2011	509,000	Shares issued on date	206	104,854,000	
05.10.2011	80,000	Shares issued on date	179	14,320,000	
05.11.2011	311,000	Shares issued on date	148	46,028,000	
Total	5,500,000			1,844,202,000	5,052,608

For the Year Ended 2010-2011

Date	No. of Shares allotted	Particulars of Shares	No. of Days	Products	No. of Shares
	(A)		(B)	(C) = (A) * (B)	(C) / 365
01.04.2010	100,000	Outstanding on Date	365	36,500,000	
01.04.2010	4,500,000	Bonus Adjustment	365	1,642,500,000	
Total	4,600,000			1,679,000,000	4,600,000

For the Year Ended 2009-2010

Date	No. of Shares allotted	Particulars of Shares	No. of Days	Products	No. of Shares
	(A)		(B)	(C) = (A) * (B)	(C) / 365
01.04.2009	100,000	Outstanding on Date	365	36,500,000	
01.04.2009	4,500,000	Bonus Adjustment	365	1,642,500,000	
Total	4,600,000			1,679,000,000	4,600,000

For the Year Ended 2008-2009

Date	No. of Shares allotted	Particulars of Shares	No. of Days	Products	No. of Shares
	(A)		(B)	(C) = (A) * (B)	(C) / 365
01.04.2008	100,000	Outstanding on Date	365	36,500,000	
01.04.2008	4,500,000	Bonus Adjustment	365	1,642,500,000	
Total	4,600,000			1,679,000,000	4,600,000

For the Year Ended 2007-2008

Date	No. of Shares allotted	Particulars of Shares	No. of Days	Products	No. of Shares
	(A)		(B)	(C) = (A) * (B)	(C) / 365
01.04.2007	10,000	Outstanding on Date	365	3,650,000	
01.04.2007	450,000	Bonus Adjustment	365	164,250,000	
25.03.2008	90,000	Shares issued on date	7	630,000	
25.03.2008	77,671	Bonus Adjustment	365	28,349,915	
Total	627, 671			196,879,915	539,397

Note: Earnings per Share is not disclosed in audited accounts as per AS – 20 for the FY ended March 2008 & 2009, which has now been duly complied in the Restated Financial Statements for the above stated period.

Annexure XVII**Statement of Tax Shelter**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2012	2011	2010	2009	2008
Profit / Loss Before Tax (A)	669.49	334.64	116.95	105.01	122.95
Tax Rate (B)	32.45%	33.22%	30.90%	30.90%	33.90%
Tax thereon at above Rates	217.25	111.17	36.14	32.45	41.68
Donation	0.00	0.00	0.00	0.00	0.00
Income Exempt from Tax	27.45	0.00	0.00	0.00	0.00
Disallowance u/s 40 (a) (ia)	0.00	0.00	0.00	0.00	0.00
Loss on investment valuation	0.00	0.00	0.00	0.00	0.00
Investment w/f	0.00	0.00	0.00	0.00	0.00
Subsidy	0.00	0.00	0.00	0.00	0.00
Penalty	0.00	0.00	0.00	0.00	0.00
Total Permanent Difference (C)	27.45	0.00	0.00	0.00	0.00
Timing Difference	0.00	0.00	0.00	0.00	0.00
Depreciation	115.11	(10.75)	(6.75)	9.14	8.19
Preliminary Exp	0.00	0.00	0.00	0.00	0.00
Amount Inadmissible u/s 43B	0.00	0.00	0.00	0.00	0.00
Amount Inadmissible u/s 40(a)	(11.29)	0.00	0.00	0.00	0.00
Set off Brought Forward Losses	0.00	0.00	0.00	0.00	0.00
Loss on sale of investment	0.00	0.00	0.00	0.00	0.00
Other Timing Difference	0.00	0.00	0.00	0.00	0.00
Total Timing Difference (D)	103.82	(10.75)	(6.75)	9.14	8.19
Net Adjustments (C+D)	131.27	(10.75)	(6.75)	9.14	8.19
Tax(Saving)/ Burden Thereon	42.59	3.57	2.08	2.82	2.78
Taxable Income E=A-(C+D)	538.22	345.39	123.70	95.87	114.76
Net tax liability (E*B)	174.65	114.74	38.22	29.62	38.90

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to SLM method at the rates prescribed under Schedule XIV of the Companies Act 1956. This method of providing depreciation is changed with retrospective effect, i.e. from the first year of the Company's operation till date. As per AS 6, such a change has been treated as a change in accounting policy and its effect has been quantified and disclosed.

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

COMMON PURSUITS

Our Promoter Group Entities viz, Fast Air Cargo Private Limited, Shree Fast Courier and Cargo Private Limited, Focal Courier and Cargo Private Limited, Eswar Air Freight Private Limited, M/s Fast Train and M/s Fast

Courier and Cargo are involved in a similar line of business as that of our Company i.e. logistics. As on date, our Company has not signed any non-compete or such other agreement / document with our Group Entities, thus the interests of these entities may conflict with our Company's interests and / or with each other if these entities expand their business in the future.

RELATED PARTY TRANSACTIONS AS PER FINANCIAL STATEMENTS

Other than as disclosed in "Annexure XII – Statement of Restated Related Party Transactions" on page no. 152 of the Draft Red Herring Prospectus, there have been no related party transactions with the Promoter Group.

SALE OR PURCHASE BETWEEN OUR COMPANY AND GROUP COMPANIES

There have been no transactions of sale or purchase during the FY 2011 – 2012 between our Company and the Group Companies exceeding 10% of our total sale or purchases except as mentioned below:

Name of the Company	Relationship	Nature of transaction	Amount (₹ in lakhs)	% age of Total Income	Reason
Shree Fast Courier & Cargo Pvt. Ltd.	Group Entity	Income / Sales	1031.12	15.84%	Our Company has a strong network, infrastructure and expertise in the field of forwarding services, which are extended to Shree Fast Courier and Cargo Pvt. Ltd. for forwarding goods of their customers.
Finex Express Cargo Pvt. Ltd.	Group Entity	Expenditure / Purchases	508.89	10.07%	Finex Express Logistics Pvt. Ltd. is forwarding goods mainly through air and enjoys economies of scale in air forwarding. To enjoy these benefits of economies of scale our company is availing their services in respect of forwarding through air.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this DRHP. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards referred to in section 211(3C) of the Companies Act and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

Our Company, Fast Train Cargo Limited is entering into Third Party Logistics and is specializing in forwarding by Air, Surface, and Train, any type of permissible Shipments/Cargo anywhere in India. Our Company is mainly engaged in the business of providing logistics services viz. cargo transport by Air, Surface and Train, Warehousing, Packing and Moving. We also provide door to door parcel delivery service for all kinds of parcels, big & small. The cargo transportation is generally carried out using road, railway and air as the mode of transport. We deliver all types of cargo including parcels of all sizes, advertising material and Mutual Fund & IPO Application / Bid Forms. Our Company intends to expand the road cargo business by increasing the number of trucks in our fleet and also building new warehouses in geographically distributed location to enhance PAN India presence.

Majority of our present business today is concentrated on transportation of cargo by Rail mode. However, our Company believes that the volume of Road cargo in the Industry is more than any other mode. Also with the growing infrastructure in the country, the cargo volume by Road is bound to go up further. Hence our expansion is directed towards developing a larger fleet of trucks and building warehouses across the country.

The registered office of our Company is situated in Mumbai and warehouses / depots are located in various parts of India. Since inception, we have constantly grown our network of depots. With only 5 depots in 2005, our Company today has 45 depots giving us Pan-India presence.

Our Company currently maintains a fleet of 71 Trucks of varying Load Capacities. These fleets operate across the country ensuring nation-wide services to our corporate and individual customers. Our Company purchased majority of the trucks in the current financial year as part of expansion in the road cargo business. Though these fleets will give our road cargo business the much needed presence, we further intend to strengthen our capacity substantially. Keeping this in mind, our Company is proposing to purchase more vehicles of different capacities as part of our expansion project, details of which are given in the Chapter 'Objects of the Issue' on page no. 29 of this DRHP.

EXISTING SERVICES

With the growing scale of business, we intend to make a strong footing in the Third Part Logistics (3PL) market. Our existing services are explained below:

Multimodal Transportation*Train / Rail Cargo Service*

Through this service, we transport majority of the cargo by passenger trains instead of the goods trains. This is because goods trains are generally for bulk quantities like food grains, coal etc. Booking small sections in one container of goods trains is not cost effective and thus we transport our consignments using the Luggage compartments of the passenger trains. Further, goods trains have limited frequency and routes and also take more transit time than passenger trains.

We ensure our customers timely door-to-door pick up & delivery which helps us in retaining our customers as they are satisfied with the service.

Road Cargo Service

We started road cargo service in October 2008 and are engaged in the business of transportation of cargo / consignment by roadways within India. Cargo transportation is carried out for bulk as well as non-bulk freight for various industry segments. Our Company provides services for Full Truck Load (FTL) as well as Part Truck Load (PTL) to customers, which gives them flexibility for quantity of their consignment.

Under FTL, we provide door to door service wherein the entire truck is loaded with cargo of a single customer and are delivered to the delivery point as specified by the customer. The customers who have large quantities of cargo to be transported hire full truck load for transport of cargo.

Under PTL, the customers have the flexibility of hiring the truck on part basis. The cargos of various customers are consolidated and transported to single / multiple destinations on the same truck.

Air Cargo Service

Air Cargo Service is used for speedy delivery of cargo over longer distances. We book air consignments and further sub-contract the consignment to carriers / other agencies for transport to the required destination by air. Our air consignments move through various airlines like Jet Airways, Go Airways, Indian Airlines and Kingfisher Airlines. Air Cargo is beneficial to our customers as it is a time-definite mode and also beneficial to our Company as it helps in route optimization.

Value Added Services

In October 2010, we started packaging services to our customers for their consignment. As per our customers' requirements, we provide Bubble Packaging, Carton Packaging and Wooden Packaging. Cargo dispatched to the destinations with the proper packaging ensures safety and reduces loss due to damage in transit.

PROPOSED SERVICES

We propose warehousing services in addition to the above services provided by us, thus expanding our scope to Contract Logistics.

Contract Logistics (Warehouses)

Under Contract Logistics, we intend to start operations by providing warehousing facilities. Here, we will provide space to our customers to store goods until they are transported to the specified destination. For this storage purpose, we propose to provide our customers with the warehouse space on 'Per Day', 'Per Month' or 'Per Year' rental basis, as per the customers' requirements.

Significant Developments after March 31, 2012 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the DRHP which materially or adversely affect or is likely to affect the manufacturing or profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Except as otherwise stated in this DRHP and the Risk Factors given in the DRHP, the following important factors could cause actual results to differ materially from the expectations include, among others:

Freight & Revenue Generation

We earn majority of our revenue from clearing and forwarding of cargo and transportation of the same through Railways and Roadways. Regular & good sales are the only source to create a healthy working of our Company. In case of Railways, we are paid according to the quantum of cargo transported. In case of road freights, we are

generally paid a rate per kilometre for our services. Our revenue growth is impacted by total number of individually billed cargo. Revenues are principally driven by freight rates, average length of vehicle, the average weight and volume characteristics of the freight and per kilometre rate for the distances to be covered.

We use various marketing techniques to keep our up our sales & also to retain customers. Our Company is undertaking various publicity and advertisement activities to create better awareness about our services and building a brand image. We facilitate door – to – door pick-up and drop services for customers looking for prompt deliveries, so that customers can themselves see the quality & standards that we maintain.

Size and composition of our fleet

The size, age and composition of our fleet have a significant impact on our financial condition and results of operations. Our ability to win new business depends upon our having vehicles that are available for servicing freight requirements. In addition, our fleet mix is optimized to cater to the requirements of different customer segments in the freight transportation business. As of the date of filing this DRHP, our fleet consisted of 71 Company-owned vehicles with an average age of not more than 5 years. We intend to use a portion of the Proceeds of the Issue to expand our existing fleet of vehicles in the cargo transportation business. We believe that these additions to our fleet are required to meet the estimated growth in the cargo transportation business. An increase in the size of our fleet without commensurate increase in freight can adversely affect our results of operations.

Our operational and fixed expenses

Our profitability is significantly impacted by our operational expenses. The most significant expenses in our business include loading / unloading charges, clearing & forwarding and booking charges. For the fiscal 2012, 2011, 2010, 2009 and 2008, our operational expenses were ₹ 5,051.51 lakhs, ₹ 3,375.26 lakhs, ₹ 3,058.51 lakhs ₹ 1891.91 lakhs and ₹ 1,648.89 lakhs, respectively, or 77.22%, 81.43%, 86.19%, 81.73% and 84.71%, respectively, of our total income. Our operating profitability is impacted by variable costs of transporting freight for our customers, fixed costs and other expenses containing both fixed and variable components.

Our ability to successfully implement its strategy and its growth and expansion plans

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company's roll out schedules and cause cost and time over runs.

Increasing competition in the industry

Our Company faces competition from organised and unorganised transporter and small time clearing and forwarding agents. Also, our expansion plan which includes setting up of Warehouses is a lucrative business area with existing as well as future competition. Our Company operates in competitive environment which may force us to reduce the price of the products and it may have an effect on our margins.

Rail & Road infrastructure

Our operations are fully dependent upon the rail infrastructure in the country which includes factors like Connectivity between cities, frequency, rail gauge etc. As we increase our presence in Road transport, we are also dependant on the road infrastructure which includes factors like quality of roads, weather conditions, etc. Although the Indian government is taking steps to improve the condition of railways and roads in India, there may be constraints relating to maintenance of railways and quality of roads that might impact our business. Improvement in the quality of road infrastructure may also result in increased toll levies in the future.

General economic and business conditions

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect goods and passenger transportation in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

Any adverse outcome in the legal proceedings in which we are involved

We are involved in certain legal proceedings. In the event that all of the cases are decided against us, they could have a material adverse effect on our results of operations.

Results of our Operation

Year ended on	March 31, 2012	% of Total Income	March 31, 2011	% of Total Income	March 31, 2010	% of Total Income	March 31, 2009	% of Total Income
Income								
Operating Income	6,508.16	99.48%	4,143.81	99.97%	3,542.44	99.83%	2,308.77	99.74%
Other Income	33.79	0.52%	1.27	0.03%	6.17	0.17%	6.05	0.26%
Total Income	6,541.95	100.00%	4,145.08	100%	3,548.61	100%	2,314.82	100%
Expenses								
Operating Expenses	5,051.51	77.22%	3,375.26	81.43%	3,058.51	86.19%	1,891.91	81.73%
Personnel Costs	249.54	3.81%	82.15	1.98%	81.51	2.30%	66.80	2.89%
Admin Expenses	373.93	5.72%	255.15	6.16%	158.27	4.46%	85.55	3.70%
S & D Expenses	21.07	0.32%	10.91	0.26%	19.75	0.56%	15.11	0.65%
Depreciation	111.37	1.70%	61.36	1.48%	55.05	1.55%	41.64	1.80%
Interest	62.04	0.95%	25.61	0.62%	58.52	1.65%	108.75	4.70%
Total Expenses	5,869.46	89.72%	3,810.44	91.93%	3,431.61	96.70%	2,209.76	95.46%
Preliminary Expenses	3.00	0.05%	0.00	0.00%	0.05	0.00%	0.05	0.00%
Profit before Tax	669.49	10.23%	334.64	8.07%	116.95	3.30%	105.01	4.54%
Less:								
Provision for Tax	175.00	2.68%	119.00	2.87%	38.25	1.08%	29.65	1.28%
Provision for FBT	0.00	0.00%	0.00	0.00%	0.00	0.00%	1.86	0.08%
Provision for Deferred Tax	33.68	0.51%	(3.32)	(0.08)%	(2.09)	(0.06)%	2.53	0.11%
Net Profit After Tax	460.81	7.04%	218.86	5.28%	80.79	2.28%	70.97	3.07%

Results for the Financial Year ended March 31, 2012 as compared to the results for the Financial Year ended March 31, 2011.

Income

The total income increased by 57.82%, i.e. ₹ 6,541.95 lakhs as on March 31, 2012 compared to ₹ 4,145.08 as on March 31, 2011.

Turnover of our Company has increased during this year by 57.06%, which is ₹ 6,508.16 lakhs as on March 31, 2012, compared to ₹ 4,143.81 lakhs on March 31, 2011. Increase in turnover, during the year was due to opening of new destination by our Company.

The Other Income decreased to ₹ 33.79 lakhs as on March 31, 2012 as compared to ₹ 1.27 lakhs as on March 31, 2011. This is mainly due to decrease in Bank Interest.

Expenditure

Total expenditure is (including finance charges, except depreciation) 88.02% of Turnover, i.e. ₹ 5,758.09 lakhs as on March 31, 2012 compared to ₹ 3,749.08 lakhs as on March 31, 2011. The increase in Total Expenditure was due to increase in turnover by our Company in F.Y. 2011-12.

Operating Expenses

Percentage of operating cost to our Company is 77.22% of Total Sales, i.e. ₹ 5,051.51 lakhs for the year 2011-12 as compared to F.Y. 2010-11 of ₹ 3,375.26 lakhs. This is due to increase in turnover of our Company in F.Y. 2011-12.

Employee Cost

Percentage of employee cost to our Company increased to 3.81% of Total Sales in FY 2011-12 from 1.98% of Total Sales. In absolute figures, Employee Cost increased to ₹ 249.54 lakhs for the year 2011-12 as compared to ₹ 82.15 lakhs in F.Y. 2010-11. This is due to increase in scale of operations of our Company and gratuity provision in the current year, F.Y. 2011-12.

Administrative cost

Percentage of administrative cost to our Company is 5.72%, i.e. ₹ 373.93 lakhs for the year 2011-12 as compared to ₹ 255.15 lakhs in F.Y. 2010-11. This is due to increase in scale of operations of our Company in F.Y. 2011-12.

Selling and distribution Cost

Percentage of Selling and distribution Cost to our Company increased from 0.26% of turnover in FY 2010-11 to 0.32% of turnover in 2012 i.e. ₹ 21.07 lakhs for the year 2011-12 as compared to ₹ 10.91 lakhs in F.Y. 2010-11. This is due to increase in scale of operations and better Advertisement and Business Promotion Expenses.

Depreciation

Depreciation for the year was ₹ 111.37 lakhs as compared to last year it was ₹ 61.36 lakhs. This is due to Purchase of new Assets.

Finance Charges

During the year financing charges of our Company amounted to ₹ 62.04 lakhs as compared to last year amount of ₹ 25.61 lakhs. This was due to company had taken new Bank borrowings during the year for purchase of fixed assets (Vehicles).

Profit after Tax (PAT)

Overall PAT of our Company during the year increased to ₹ 460.81 lakhs as compared to last year it was ₹ 219.21 lakhs. This is due to increase in turnover of our Company in F.Y. 2011-12.

Secured Loans

Outstanding balance as at 31st March, 2012 is ₹ 535.02 lakhs.

Unsecured Loans

During the period unsecured loan of our Company is NIL On 31st March, 2012.

Fixed assets

During the year Company has incurred and capitalized ₹ 998.11 lakhs to gross block comprising of ₹ 598.55 lakhs by Purchasing Trucks, 287.50 lakhs by Purchasing Tenancy right in Gala at sewree, 31.50 lakhs by Purchasing Land at MAHAD, 37.56 lakhs by Purchasing Computers, 13.61 lakhs by Purchasing motor cars and ₹ 29.39 lakhs in other business assets. The net Fixed Assets of our Company has increased by addition in Various Assets by ₹ 998.11 lakhs and decrease due to accumulated Depreciation for the year 2011-12 has increased by ₹ 50.01 lakhs.

Sundry debtors

Sundry debtors amounted to ₹ 1,606.97 lakhs (net of provision for doubtful debts amounting to ₹ NIL) as at March 31, 2012, compared to ₹ 1,180.39 lakhs (net of provision for doubtful debts amounting to ₹ NIL) as at March 31, 2011. These debts are considered good and realizable. Debtors are at 24.69% of turnover for the year ended March 31, 2011, compared to 28.48% for the previous year, representing a Days Sales Outstanding (DSO) of 90 days and 104 days for the respective years. This is mainly because our Company reduced credit period to customers.

Results for the Financial Year ended March 31, 2011 as compared to the results for the Financial Year ended March 31, 2010.

Income

The total income increased by 16.81%, i.e. ₹ 4,145.08 lakhs as on March 31, 2011 compared to ₹ 3,548.61 as on March 31, 2010.

Turnover of our Company has increased during this year by 16.98%, which is ₹ 4,143.81 lakhs as on March 31, 2011, compared to ₹ 3,542.44 lakhs on March 31, 2010. Increase in turnover, during the year was due to opening of new destination by our Company.

The Other Income decreased to ₹ 1.27 lakhs as on March 31, 2011 as compared to ₹ 6.17 lakhs as on March 31, 2010. This is mainly due to decrease in Bank Interest.

Expenditure

Total expenditure is (including finance charges, except depreciation) 90.45% of Turnover, i.e. ₹ 3,749.08 lakhs as on March 31, 2011 compared to ₹ 3,376.56 lakhs as on March 31, 2010. The increase in Total Expenditure was due to increase in turnover by our Company in F.Y. 2010-11.

Operating Expenses

Percentage of operating cost to our Company is 81.43% of Total Sales, i.e. ₹ 3,375.26 lakhs for the year 2010-11 as compared to F.Y. 2009-10 of ₹ 3,058.51 lakhs. This is due to increase in turnover of our Company in F.Y. 2010-11.

Employee Cost

Percentage of employee cost to our Company decreased to 1.98% of Total Sales in FY 2010-11 from 2.30% of Total Sales. In absolute figures, Employee Cost increased to ₹ 82.15 lakhs for the year 2010-11 as compared to ₹ 81.51 lakhs in F.Y. 2009-10. This is due to increase in scale of operations of our Company and increase in Employee costs in F.Y. 2010-11.

Administrative cost

Percentage of administrative cost to our Company is 6.16%, i.e. ₹ 255.15 lakhs for the year 2010-11 as compared to ₹ 158.27 lakhs in F.Y. 2009-10. This is due to increase in scale of operations of our Company in F.Y. 2010-11.

Selling and distribution Cost

Percentage of Selling and distribution Cost to our Company decrease from 0.56% of turnover in FY 2009-10 to 0.26% of turnover in 2011 i.e. ₹ 10.91 lakhs for the year 2010-11 as compared to ₹ 19.75 lakhs in F.Y. 2009-10. This is due to reduction of Advertisement and Business Promotion Expenses of our Company in F.Y. 2010-11.

Depreciation

Depreciation for the year was ₹ 61.36 lakhs as compared to last year it was ₹ 50.05 lakhs. This is due to the calculation of Depreciation by SLM method.

Finance Charges

During the year financing charges of our Company amounted to ₹ 25.61 lakhs as compared to last year amount of ₹ 58.52 lakhs. This was due to company had reduced/paid back Bank borrowings during the year.

Profit after Tax (PAT)

Overall PAT of our Company during the year increased to ₹ 219.21 lakhs as compared to last year it was ₹ 80.78 lakhs. This is due to increase in turnover of our Company in F.Y. 2010-11.

Secured Loans

Outstanding balance as at 31st March, 2011 is ₹ 169.26 lakhs.

Unsecured Loans

During the period unsecured loan of our Company is NIL On 31st March, 2011.

Fixed assets

During the year Company has incurred and capitalized ₹ 51.42 lakhs to gross block comprising of ₹ 41.89 lakhs by Purchasing New motor Car and ₹ 9.53 lakhs in other business assets. The net Fixed Assets of our Company has increased by addition in Motor Car and other business Assets by ₹ 51.42 lakhs and decrease due to accumulated Depreciation for the year 2010-11 has increased by ₹ 50.61 lakhs.

During the year none of the assets have been sold/ disposed of which affects the going concern principal of our Company.

Sundry debtors

Sundry debtors amounted to ₹ 1,180.39 lakhs (net of provision for doubtful debts amounting to ₹ NIL) as at March 31, 2011, compared to ₹ 1,040.16 lakhs (net of provision for doubtful debts amounting to ₹ NIL) as at March 31, 2010. These debts are considered good and realizable. Debtors are at 28.48% of turnover for the year ended March 31, 2011, compared to 29.36% for the previous year, representing a Days Sales Outstanding (DSO) of 104 days and 107 days for the respective years. This is mainly because our Company reduced the margin percentage as well as credit period to customers.

Results for the Financial Year ended March 31, 2010 as compared to the results for the Financial Year ended March 31, 2009.

Income

The total income increased by 53.30%, i.e. ₹ 3548.61 lakhs as on March 31, 2010 compared to ₹ 2,314.82 as on March 31, 2009.

Turnover of our Company has increased during this year by 53.43%, which is ₹ 3,542.44 lakhs as on March 31, 2010, compared to ₹ 2,308.77 lakhs on March 31, 2009. Increase in turnover, during the year was due to opening of new destination by our Company.

The Other Income increased to ₹ 6.17 lakhs as on March 31, 2010 as compared to ₹ 6.05 lakhs as on March 31, 2009. This is mainly due to increase in Bank Interest.

Expenditure

Total expenditure is (including finance charges, except depreciation) increased to 95.16% which is ₹ 3,376.56 lakhs as on March 31st 2010 compared to ₹ 2,168.12 lakhs as on March 31st 2009. The increase in total expenditure was on account of opening of new destination by our Company in F.Y. 2009-10.

Operating Expenses

Percentage of operating cost to our Company is 86.19% of Total Sales, i.e. ₹ 3,058.51 lakhs for the year 2009-10 as compared to F.Y. 2008-09 of ₹ 1,891.91 lakhs. This is due to increase in turnover of our Company in F.Y. 2009-10.

Employee Cost

Percentage of employee cost to our Company decreased to 2.30% of Total Sales in FY 2009-10 from 2.89% of Total Sales. In absolute figures, Employee Cost increased to ₹ 81.51 lakhs for the year 2009-10 as compared to ₹ 66.80 lakhs in F.Y. 2008-09. This is due to increase in scale of operations of our Company and increase in Employee costs in F.Y. 2009-10.

Administrative cost

Percentage of administrative cost to our Company is 4.46%, i.e. ₹ 158.27 lakhs for the year 2009-10 as compared to ₹ 85.55 lakhs in F.Y. 2008-09. This is due to increase in scale of operations of our Company in F.Y. 2009-10.

Selling and distribution Cost

Percentage of Selling and distribution Cost to our Company decrease from 0.56% in FY 2009-10 from 0.65% of Total Sales. In absolute figures, Selling & distribution Expenses increased to ₹ 19.75 lakhs for the year 2009-10 as compared to ₹ 15.11 lakhs in F.Y. 2008-09. This is due to increase in scale of o Advertisement and Business Promotion Expenses in F.Y. 2009-10.

Depreciation

Depreciation for the year was ₹ 55.05 lakhs as compared to last year it was ₹ 41.64 lakhs. This is due to the depreciation charged by our Company on SLM method.

Finance Charges

During the year financing charges of our Company decreased to ₹ 58.52 lakhs as compared to last year it was ₹ 108.75. This was due to company had reduced/paid back Bank borrowings during the year.

Profit after Tax (PAT)

Overall PAT of our Company during the year is increased to ₹ 80.78 lakhs as compared to last year PAT of ₹ 70.68 lakhs. This is due to increase in turnover of our Company in F.Y. 2009-10.

Secured Loans

During the year Company has repaid the EMI of Term loan due to this secured loan is down amounting to ₹ 252.10 lakhs as compared to last year it was ₹ 522.34 lakhs.

Unsecured Loans

During the year Company has repaid loan taken from directors, relatives and sister concern amounting to ₹ 19.45 lakhs due to this unsecured Loans is Nil during the year to ₹ 19.45 lakhs as compared to last year.

Fixed assets

Gross Block of our Company is increased amounting to net ₹ 42.63 lakhs which is total ₹ 470.11 lakhs as compared to last year where it was ₹ 427.48 lakhs. During the year Company has incurred and capitalized ₹ 42.63 lakhs to gross block by purchasing of New Trucks and other Business assets.

Sundry debtors

Sundry debtors amounted to ₹ 1,040.16 lakhs (net of Provision for Doubtful Debts amounting to ₹ NIL) as at March 31, 2010, compared to ₹ 766.02 lakhs (net of Provision for Doubtful Debts amounting to ₹ NIL) as at March 31, 2009. These debts are considered good and realizable. Debtors are at 29.36% of turnover for the year ended March 31, 2010, compared to 33.18% for the previous year, representing a Days Sales Outstanding (DSO) of 107 days and 121 days for the respective years.

Information required as per Schedule VIII Part A (IX) (E) (5) of the SEBI ICDR Regulations**(a) Unusual or infrequent events or transactions**

Other than as stated in the DRHP, there have been no unusual or infrequent transactions that have taken place during the last three years.

(b) Significant economic changes that materially affected or are likely to affect income from continuing operations

Any slowdown in the growth of Indian Economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

(c) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations

To our knowledge there are no known trends or uncertainties that have had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

(d) Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in this section and the sections titled "Risk Factors", "Our Business" on page nos. xii and 71 respectively, to our knowledge, there are no known factors which will materially impact the future changes in relationship between our costs and revenues.

(e) The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase or decrease in revenue is by and large linked to increases in sales prices or volume of business.

(f) Total turnover of each major Industry segment in which our Company operated

Relevant published data, as available, for the industry turnover has been included in the section entitled “Industry Overview” beginning on page no. 53

(g) Status of any publicly announced new products or business segment

Our Company has no plans to introduce new products or new business segments except those, if any, mentioned in this DRHP.

(h) The extent to which the business is seasonal

There is no seasonality in our business segments.

(i) Competitive Condition

We face competition from well-established players and unorganised sector.

FINANCIAL INDEBTEDNESS

Set forth below is a summary of the aggregate borrowings of our Company as of March 31, 2012:

Nature of Borrowing	Amount (in ₹ lakhs)
Secured borrowings	535.02
Unsecured borrowings	NIL

Commercial Vehicle Master Security Loan (Shriram Transport)

Name of the Lender	Facility / Loan Documentation	Amount Sanctioned (₹ In lakhs)	Amount Outstanding as on March 31, 2012	Interest Rate	Repayment Schedule/ Validity	Security
GE Capital Transportation Financial Services Limited ("Lender"/"Secured Party") [Mr. Nitin Somani and Mrs. Sonal Somani are guarantors to this loan]	Master Security and Loan Agreement dated May 15, 2008 Promissory Note for a sum of ₹ 49.65 lakhs, dated May 15, 2008 executed by the Company in favour of the Lender. Irrevocable Power of Attorney has been executed by the Company in favour of the Lender authorizing the Lender to deal with the collateral as per the Master Security and Loan Agreement dated May 15, 2008.	49.65	5.96	Flat rate of 6.30% p.a. (Last instalment is to be paid on April 15, 2012)	47 equal instalments of ₹ 132,260 each.	Security provided in the form of 5 (five) "LPT's" no. 1613 ("Collateral") each valued at ₹ 993,243 and located at Mumbai.
GE Capital Transportation Financial Services Limited ("Lender"/"Secured Party")	Master Security and Loan Agreement dated July 3, 2008. Promissory Note for a sum of ₹ 8.25 lakhs, dated July 3, 2008 executed by the Company in favour of the Lender. Irrevocable Power of Attorney has been executed by the Company in favour of the Lender authorizing the Lender to deal with the collateral as per the Master Security and Loan Agreement dated July 3, 2008.	8.25	0.45	Interest rate of 6.47% p.a. (Last instalment is to be paid on April 15, 2012)	47 equal instalments of ₹ 22,095 each.	Collateral provided in the form of 5 (five) "LPT's" no. 1613 each valued at ₹ 295,000 and located at Mumbai.

Other Commercial Vehicle Loans

Name of the Lender	Agreement / Account No.	Agreement Date	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on 31.03.2012 (₹ in lakhs)	Rate of Interest (%)	Repayment Schedule	Security Created
HDFC Bank	3380520	July 07, 2011	14.30	11.54	12.04%	Repayable in 45 monthly Instalments of ₹ 0.39 lakhs	Hypothecation of Trucks
HDFC Bank	3380526	July 07, 2011	14.30	11.54	12.04%	Repayable in 45 monthly Instalments of ₹ 0.39 lakhs	Hypothecation of Trucks
HDFC Bank	3380525	July 07, 2011	14.30	11.54	12.04%	Repayable in 45 monthly Instalments of ₹ 0.39 lakhs	Hypothecation of Trucks

Name of the Lender	Agreement / Account No.	Agreement Date	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on 31.03.2012 (₹ in lakhs)	Rate of Interest (%)	Repayment Schedule	Security Created
HDFC Bank	3380530	July 07, 2011	14.15	11.42	12.04%	Repayable in 45 monthly Instalments of ₹ 0.39 lakhs	Hypothecation of Trucks
HDFC Bank	3380533	July 07, 2011	14.15	11.42	12.04%	Repayable in 45 monthly Instalments of ₹ 0.39 lakhs	Hypothecation of Trucks
HDFC Bank	3380535	July 07, 2011	8.85	7.32	12.04%	Repayable in 45 monthly Instalments of ₹ 0.24 lakhs	Hypothecation of Trucks
HDFC Bank	3380536	July 07, 2011	8.85	7.32	12.04%	Repayable in 45 monthly Instalments of ₹ 0.24 lakhs	Hypothecation of Trucks
HDFC Bank	3380537	July 07, 2011	7.95	6.56	12.04%	Repayable in 45 monthly Instalments of ₹ 0.22 lakhs	Hypothecation of Trucks
HDFC Bank	3380539	July 07, 2011	7.95	6.56	12.04%	Repayable in 45 monthly Instalments of ₹ 0.22 lakhs	Hypothecation of Trucks
HDFC Bank	3380540	July 07, 2011	14.48	11.96	12.04%	Repayable in 45 monthly Instalments of ₹ 0.40 lakhs	Hypothecation of Trucks
HDFC Bank	3380542	July 07, 2011	14.48	11.96	12.04%	Repayable in 45 monthly Instalments of ₹ 0.40 Lakhs	Hypothecation of Trucks
HDFC Bank	3380544	July 07, 2011	14.48	11.96	12.04%	Repayable in 45 monthly Instalments of ₹ 0.40 lakhs	Hypothecation of Trucks
HDFC Bank	3380550	July 07, 2011	14.71	12.15	12.04%	Repayable in 45 monthly Instalments of ₹ 0.40 lakhs	Hypothecation of Trucks
HDFC Bank	3380551	July 07, 2011	14.71	12.15	12.04%	Repayable in 45 monthly Instalments of ₹ 0.40 lakhs	Hypothecation of Trucks
HDFC Bank	3386342	August 17, 2011	11.51	10.05	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386343	August 17, 2011	11.51	10.05	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386344	August 17, 2011	11.51	10.05	12.26%	Repayable in 45 monthly Instalments of ₹	Hypothecation of Trucks

Name of the Lender	Agreement / Account No.	Agreement Date	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on 31.03.2012 (₹ in lakhs)	Rate of Interest (%)	Repayment Schedule	Security Created
						0.32 lakhs	
HDFC Bank	3386345	August 17, 2011	11.51	10.05	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386346	August 17, 2011	11.51	10.05	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386347	August 17, 2011	11.51	10.04	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386349	August 17, 2011	11.51	10.04	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386350	August 17, 2011	11.51	10.04	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386353	August 17, 2011	11.51	10.04	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3386354	August 17, 2011	11.51	10.04	12.26%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
HDFC Bank	3364567	April 02, 2011	2.80	1.13	12.84%	Repayable in 21 monthly Instalments of ₹ 0.15 lakhs	Hypothecation of Trucks
HDFC Bank	3364573	April 02, 2011	2.80	1.13	12.84%	Repayable in 21 monthly Instalments of ₹ 0.15 lakhs	Hypothecation of Trucks
HDFC Bank	3364576	April 23, 2011	2.92	1.18	12.84%	Repayable in 21 monthly Instalments of ₹ 0.15 lakhs	Hypothecation of Trucks
HDFC Bank	3364577	April 23, 2011	2.92	1.18	12.84%	Repayable in 21 monthly Instalments of ₹ 0.15 lakhs	Hypothecation of Trucks
HDFC Bank	3364582	April 23, 2011	2.92	1.18	12.84%	Repayable in 21 monthly Instalments of ₹ 0.15 lakhs	Hypothecation of Trucks
HDFC Bank	3364583	April 23, 2011	2.92	1.18	12.84%	Repayable in 21 monthly Instalments of ₹ 0.15 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003	August 05, 2011	11.74	9.91	12.06%	Repayable in 45 monthly	Hypothecation of Trucks

Name of the Lender	Agreement / Account No.	Agreement Date	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on 31.03.2012 (₹ in lakhs)	Rate of Interest (%)	Repayment Schedule	Security Created
	90943					Instalments of ₹ 0.32 lakhs	
L & T Finance Ltd.	0CV0170 66S11003 90944	August 05, 2011	11.74	9.91	12.06%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 90945	August 05, 2011	11.74	9.91	12.06%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 90946	August 05, 2011	11.74	9.91	12.06%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 90947	August 05, 2011	11.74	9.91	12.06%	Repayable in 45 monthly Instalments of ₹ 0.32 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 91035	August 05, 2011	12.73	10.74	12.06%	Repayable in 45 monthly Instalments of ₹ 0.35 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 91037	August 05, 2011	12.73	10.74	12.06%	Repayable in 45 monthly Instalments of ₹ 0.35 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 91038	August 05, 2011	12.73	10.74	12.06%	Repayable in 45 monthly Instalments of ₹ 0.35 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 91039	August 05, 2011	12.73	10.74	12.06%	Repayable in 45 monthly Instalments of ₹ 0.35 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 91040	August 05, 2011	12.73	10.74	12.06%	Repayable in 45 monthly Instalments of ₹ 0.35 lakhs	Hypothecation of Trucks
L & T Finance Ltd.	0CV0170 66S11003 91051	August 05, 2011	12.73	10.74	12.06%	Repayable in 45 monthly Instalments of ₹ 0.35 lakhs	Hypothecation of Trucks
Magma Fincorp Ltd.	27 / V / 10 / 483	November 19, 2011	19.00	17.66	13.05%	Repayable in 45 monthly instalments of ₹ 0.54 lakhs	Hypothecation of Trucks
Magma Fincorp Ltd.	27 / V / 10 / 484	November 19, 2011	9.50	9.00	13.05%	Repayable in 45 monthly instalments of ₹ 0.27 lakhs	Hypothecation of Trucks
Magma Fincorp Ltd.	27 / V / 10 / 485	November 19, 2011	17.50	16.27	13.05%	Repayable in 45 monthly instalments of ₹ 0.49 lakhs	Hypothecation of Trucks

Auto Loans

Name of the Lender	Agreement / Account No.	Agreement / Sanction Letter Date	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on 31.03.2012 (₹ in lakhs)	Rate of Interest (%)	Repayment Schedule	Security Created
HDFC Bank	19105749	July 23, 2011	10.00	8.76	11.55%	Repayable in 60 monthly Instalments of ₹ 0.22 lakhs	Hypothecation of Motor Car
Kotak Mahindra Bank Limited	CF – 5954183	April 28, 2010	11.30	4.04	11.55%	Repayable in 34 monthly Instalments of ₹ 0.39 lakhs	Hypothecation of Car
Kotak Mahindra Bank Limited	CF – 5968957	April 30, 2010	5.80	2.20	11.55%	Repayable in 35 monthly Instalments of ₹ 0.19 lakhs	Hypothecation of Car
Kotak Mahindra Bank Limited	CF – 6368937	September 30, 2010	13.66	7.05	11.55%	Repayable in 35 monthly Instalments of ₹ 0.44 lakhs	Hypothecation of Car

Negative covenants:

1. The Company shall be in default upon the occurrence of the following:
 - a. Any dissolution, termination of existence, merger, consolidation, change in controlling ownership, insolvency or business failure of the Company or any guarantor or other obligor for any of the indebtedness or if Company or any Guarantor is a natural person, any death or incompetency of the Company or such Guarantor.
 - b. The appointment of receiver for all or any part of the property of the Company or any assignment for the benefit of creditors by Debtor or any Guarantor.

Other Loan

Name of the Lender	Sanction Amount	Nature of Loan	Amount outstanding as on March 31, 2012	Date of sanction letter / agreement	Interest Rate	Repayment Schedule	Security
Kotak Mahindra Bank	₹ 120.00 lakhs	Home Finance (Loan against Property)	₹ 96.81 lakhs	Sanction letter HL895967/97731 dated June 19, 2008 Loan Agreement No. HF 1368877 dated June 27, 2008*	Reference Rate (14.50%) – 1% i.e. 13.50%	Repayable in 120 monthly Instalments of ₹ 1.83 lakhs.	Registered mortgage created for commercial property at Victoria House, 1A and 1B, Ground Floor, Lower Parel, Mumbai. (owned by Nitin Somani) Equitable mortgage of commercial property at No. A403 and 404, Citi Point Commercial Complex, Andheri, Mumbai. (owned by Nitin Somani)

* Our Company is co-borrower in the above loan along with our Promoters

SECTION VII: LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debentures, bonds and fixed deposits and arrears of preference shares issued by our Company, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, its Promoters or Directors.

I. LITIGATIONS INVOLVING OUR COMPANY**A. Litigations against our Company****1. WC Application No. IVF of 2009 filed by Nasirudin Barkatali Viraani (“Applicant”) versus Fast Train Cargo Private Limited before the Labour Court, Workmen’s Compensation Commissioner, Vadodara**

The Applicant has filed a WC Application against our Company bearing no. IVF of 2009 before the Labour Court, Workmen’s Compensation Commissioner, Vadodara. The Applicant was working as a cargo delivery man with our Company. The Applicant met with an accident after delivering a cargo consignment, and as a result thereof sustained injuries that led to 30% disability of the whole body. The Applicant has prayed for recovery of an amount of ₹ 339,525 by way of compensation together with interest at the rate of 12% per annum plus cost of proceedings from the date of the accident, till the realisation thereof, and any further relief as may be deemed fit and proper.

The Company has filed its reply in the matter and it is pending before the Workmen’s Compensation Commissioner, Vadodara.

The next date of hearing is May 9, 2012.

2. MACP 19/2010 filed by Kunda Duttatray Kamathe and four others (“Applicants”) versus Fast Train Cargo Private Limited, Bajaj Allianz Insurance Company and The United India Insurance Company Limited (“Opponents”) before the Motor Accidents Claim Tribunal, Raigad, Alibaug (“Tribunal”).

The Applicants have filed the said application in respect of Dattatray Baban Kamathe (“**Deceased**”). Applicant no. 1 is the widow of the said Deceased, who died on October 22, 2009, after allegedly succumbing to injuries from an accident. The accident occurred due to the alleged negligence of the driver hired by our Company, who was driving an Eicher Tempo at the time of the accident/incident. The Applicants claimed an amount of ₹ 4,000,000 in respect of the matter.

The Motor Accidents Claims Tribunal, Alibaug, by its Ex-Parte Order dated July 5, 2011, ordered the Opponents to pay the Applicants a sum of ₹ 50,000 with interest at the rate of 7.5% from the date of the order till realisation thereof.

Our Company filed an application dated January 12, 2012 before the Tribunal for setting aside the *ex parte* order and citing that our Company is a necessary party to the litigation and in the interest of justice should be allowed to file a written statement. Our Company filed its written statement with the Tribunal on January 12, 2012.

The next date of hearing is June 16, 2012.

3. Citibank NA (“Citibank”) has issued a notice dated November 10, 2009 (“Notice”) through its Advocates to Nitin Somani, Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, Fast Train Cargo Private Limited and Manoj Somani (“Disputants”) under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“Act”).

Citibank, through its Advocates Notice stated that the Disputants had approached Citibank for availing a loan facility and Citibank had sanctioned finance facility for an amount of ₹ 20,000,000 (“**Facility**”) vide loan agreement dated August 1, 2008 (“**Loan Agreement**”). As per the Loan Agreement, the Disputants were to repay the Facility in 120 equated monthly instalments of ₹ 307,534 (“**Installments**”). The account of the Disputants was classified as “non – performing asset” on July 31, 2009 and notice of the same was also given to the Disputants. Citibank alleged that as on November 9, 2009 a total amount of ₹ 1,801,168 plus interest at the rate of 13.25% per annum (“**Claim Amount**”) was due and payable by the Disputants against the Facility. The Notice also further set out that should the Disputants fail to discharge the Claim Amount in full with a period of 60 days from the date of Notice, Citibank may take further action under section 13 (4) of the Act, for which the Disputants would be liable to bear all related costs. Nitin Somani, through his Advocate replied to the said Notice, after which Citibank orally confirmed that the notice sent by them was a bonafide mistake and they were willing to settle the issue. Citibank vide a letter dated March 13, 2012 has agreed to preclose the Facility and settle the issue for an amount of ₹ 1,405,541.52 out of which ₹ 300,000 have been paid on March 30, 2012.

B. Litigations by our Company

1. Our Company has issued the following demand notices to its customers, in respect amounts outstanding and payable to our Company for services rendered:

Sr. No.	Date of notice	Person/Entity to whom the notice has been issued	Amount involved (₹)	Remarks
1.	June 3, 2011	Golden Tobacco Limited	1,178,219	Our Company has not received any reply from the said Golden Tobacco Limited. However, they have paid an amount of ₹ 100,000 out of the total outstanding amount of ₹ 1,278,219.
2.	June 3, 2011	Parsons Nutriantion Private Limited	11,582	Our Company has not received any reply from Parsons Nutriantion Private Limited.
3.	August 3, 2011	Pashupati Enterprises	13,425	Our Company has not received any reply from Pashupati Enterprises.
4.	August 3, 2011	Transasia Bio – Medicals Limited	13,024	Our Company has not received any reply from Transasia Bio – Medicals Limited.
5.	August 3, 2011	Inditex	11,813	Our Company is in the process of settling the matter.

II. LITIGATIONS INVOLVING OUR PROMOTERS

A. Litigations against our Promoters

Mr. Nitin Somani

1. Citibank NA (“**Citibank**”) has issued a notice dated November 10, 2009 (“**Notice**”) through its Advocates to Nitin Somani, Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, Fast Train Cargo Private Limited and Manoj Somani (“**Disputants**”) under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“**Act**”). Citibank, through its Advocates Notice stated that the Disputants had approached Citibank for availing a loan facility and Citibank had sanctioned finance facility for an amount of ₹ 20,000,000 (“**Facility**”) vide loan agreement dated August 1, 2008 (“**Loan Agreement**”). As per the Loan Agreement, the Disputants were to repay the Facility in 120 equated monthly instalments of ₹ 307,534 (“**Installments**”). The account of the Disputants was classified as “non – performing asset” on July 31, 2009 and notice of the same was also given to the Disputants. Citibank alleged that as on November 9, 2009 a total amount of ₹ 1,801,168 plus interest at the rate of 13.25% per annum (“**Claim Amount**”) was due and payable by the Disputants against the Facility. The Notice also further set out that should the Disputants fail to discharge the Claim Amount in full with a period of 60 days from the date of Notice, Citibank may take further action under section 13 (4) of the Act, for which the Disputants would be liable to bear all related costs. Nitin Somani, through his Advocate replied to the said Notice, after which Citibank orally confirmed that the notice sent

by them was a bonafide mistake and they were willing to settle the issue. Nitin Somani also addressed a letter dated January 24, 2012 to Maharashtra State Human Rights Commission, Mumbai against Citibank therein stating that although he did not operate the said loan account and overdraft facilities, Citibank sent him the said Notice under the said Act for recovery of the said amounts, further stating that after two years of the verbal assurance given by Citibank, he started to receive threatening and abusive calls for recovery of the aforesaid loans, which he has not availed. Citibank *vide* a letter dated March 13, 2012 has agreed to preclose the Facility and settle the issue for an amount of ₹ 1,405,541.52 out of which ₹ 300,000 have been paid on March 30, 2012..

2. Suit no. 2033/2008 filed by Manohar Pandit Tharkude (“Plaintiff”) versus Nitin Somani and others (“Defendants”) before the Court of the Civil Judge, Senior Division, Nirsagar Court, Pune

Manohar Pandit Tharkude filed a suit bearing no. 2033/2008 against (1) Pandit Bahiru Tharkude, (2) Shankar Bahiru Tharkude, (3) Prabhakar Pandit Tharkude, (4) Dattatreya Bahiru Tharkude, (5) Dilip Dattatreya Tharkude, (6) Jagdish Dattatreya Tharkude, (7) Santosh Shankar Tharkude, (8) Sanjay Shankar Tharkude, (9) Govind Ramchandra Tharkude, (10) Shivaji Ramchandra Tharkude, (11) Anant Ramchandra Tharkude, (12) Ganesh Ramchandra Tharkude and (13) Nitin Prabhudas Somani through his constituted attorney Salim Ismail Shaikh on October 21, 2008 in respect of the Sale Deed dated April 24, 2008 (“**Sale Deed**”), registered with the Sub-Registrar, Mulshi bearing registration no. MLS-3216/2008.

The said Sale Deed was executed by Respondent nos. (1), (2), (9), (10), (11), (12) in favour of Nitin Somani (through his constituted attorney Salim Ismail Shaikh) in respect of a piece of land bearing Gat no. 408 situated at village Daravli, Pune admeasuring 45 ares. The area sold *vide* the said Sale Deed forms a part of a larger undivided piece of land (“The Larger piece of land”).

The Claimant *Inter alia* claimed that the land contemplated to be sold under the said Sale Deed had not been identified in the larger piece of land and the boundaries in respect of the land under sale had not been demarcated for the purposes of the Sale Deed. He further claimed that the Sale Deed was executed without his own consent and the consent of Respondent nos. 3, 4, 5, 6, 7 and 8, and due to the aforesaid reasons, the said Sale Deed was not binding on him.

The Claimant had also filed his objection with the Talathi, Daravli, Taluka Mulshi, Pune in respect of the transfer of the land in favour of Respondent No. (13) as per the said Sale Deed.

The Claimant has *inter alia* prayed for:

1. That the said Sale Deed dated April 24, 2008 be declared illegal;
2. That the said Sale Deed dated April 24, 2008 be declared as not binding on the Claimant;
3. To grant a permanent order against the purchase, sale, mortgage, donation, lease, lien, rent, receiving advances in respect thereof, execution of an agreement for sale with any third party, person or organisation in respect of the Larger piece of land or any part thereof;
4. Any other or further orders as the Court may deem fit.

The matter has been re-assigned from the Court of the Civil Judge, Senior Division, Nirsagar Court, Pune to the Court of the Civil Judge, Junior Division, Nirsagar Court, Pune. The next date for hearing is April 30, 2012.

3. Arbitration Case filed by Hilti India Private Limited (“Claimant”) versus Nitin Prabhudas Somani (“Respondent”) before the Indian Council of Arbitration

The Claimant has filed the above case against the Respondent pursuant to a leave and license agreement dated August 26, 2005 (“Leave and license agreement”) executed between the above parties. The Respondent *vide* the said agreement had provided the premises situate at Shop No. 3, Koteswar Palace, Koldongri Road No. 4, Andheri (East), Mumbai, on leave and license basis for a period of three years. The Claimant *inter alia* alleged that the Respondent failed to refund to the Claimant an amount of ₹ 1,043,438 towards security deposit and unutilised rent paid in advance.

The Claimant, *inter alia* prayed for the following reliefs:

- a. For a sum of ₹ 1,043,438 being the amount due and payable by the Respondent;

- b. For *pendent lite* and future interest at the rate of 15% per annum from April 21, 2011 till date of payment or realisation;
- c. A sum of ₹ 300,000 for the cost of arbitration;
- d. A sum of ₹ 200,000 for legal cost and expenses for contesting the arbitration;
- e. For such other and further relief to which the Claimant would be entitled.

The Respondent has filed its written statement in response to the Statement of claim filed by the Claimant.

The next date of hearing is June 07, 2012.

Mrs. Sonal Somani

4. Citibank NA (“**Citibank**”) has issued a notice dated November 10, 2009 (“**Notice**”) through its Advocates to Nitin Somani, Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, Fast Train Cargo Private Limited and Manoj Somani (“**Disputants**”) under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“**Act**”). Citibank, through its Advocates Notice stated that the Disputants had approached Citibank for availing a loan facility and Citibank had sanctioned finance facility for an amount of ₹ 20,000,000 (“**Facility**”) vide loan agreement dated August 1, 2008 (“**Loan Agreement**”). As per the Loan Agreement, the Disputants were to repay the Facility in 120 equated monthly instalments of ₹ 307,534 (“**Installments**”). The account of the Disputants was classified as “non – performing asset” on July 31, 2009 and notice of the same was also given to the Disputants. Citibank alleged that as on November 9, 2009 a total amount of ₹ 1,801,168 plus interest at the rate of 13.25% per annum (“**Claim Amount**”) was due and payable by the Disputants against the Facility. The Notice also further set out that should the Disputants fail to discharge the Claim Amount in full with a period of 60 days from the date of Notice, Citibank may take further action under section 13 (4) of the Act, for which the Disputants would be liable to bear all related costs. Nitin Somani, through his Advocate replied to the said Notice, after which Citibank orally confirmed that the notice sent by them was a bonafide mistake and they were willing to settle the issue. Citibank vide a letter dated March 13, 2012 has agreed to preclose the Facility and settle the issue for an amount of ₹ 1,405,541.52 out of which ₹ 300,000 have been paid on March 30, 2012.

Mr. Nitin Somani and Mrs. Sonal Somani

5. The Mumbai Municipal Corporation (through Legal Assistant of G/South Ward) (the “**Complainant**”) filed the following cases against Nitin Somani and Sonal Somani (the “**Accused**”) for allegedly contravening the provisions of section 328 of the Mumbai Municipal Corporation Act, 1888 (the “**Act**”) in the Court of the Metropolitan Magistrate, 41st Court, Shindewadi, Dadar, Mumbai for having exhibited advertisement boards at various locations in the city of Mumbai without the permission of the Complainant:

Sr. No.	Case no.	Date of order	Parties to the matter
1.	Court case no. 11269/SS/2008	September 3, 2011	Nitin Somani
2.	Court case no. 11270/SS/2008	September 3, 2011	Nitin Somani
3.	Court case no. 11271/SS/2008	September 3, 2011	Nitin Somani
4.	Court case no. 11274/SS/2008	September 2, 2011	Nitin Somani
5.	Court case no. 11281/SS/2008	September 3, 2011	Nitin Somani
6.	Court case no. 11282/SS/2008	September 3, 2011	Nitin Somani
7.	Court case no. 4111283/SS/2008	September 2, 2011	Nitin Somani
8.	Court case no. 4111272/SS/2008	September 3, 2011	Nitin Somani
9.	Court case no. 4111284/SS/2008	September 2, 2011	Nitin Somani
10.	Court case no. 4111285/SS/2008	September 2, 2011	Nitin Somani
11.	Court case no. 4111286/SS/2008	September 2, 2011	Nitin Somani
12.	Court case no. 4111287/SS/2008	September 2, 2011	Nitin Somani
13.	Court case no. 4111288/SS/2008	September 2, 2011	Nitin Somani
14.	Court case no. 4111289/SS/2008	September 2, 2011	Nitin Somani
15.	Court case no. 4111290/SS/2008	September 2, 2011	Nitin Somani

16.	Court case no. 4111291/SS/2008	September 2, 2011	Nitin Somani
17.	Court case no. 4111292/SS/2008	September 2, 2011	Nitin Somani
18.	Court case no. 4111293/SS/2008	September 2, 2011	Nitin Somani
19.	Court case no. 4111294/SS/2008	September 2, 2011	Nitin Somani
20.	Court case no. 4111295/SS/2008	September 2, 2011	Nitin Somani
21.	Court case no. 4111296/SS/2008	September 2, 2011	Nitin Somani
22.	Court case no. 4111297/SS/2008	September 2, 2011	Nitin Somani
23.	Court case no. 4111298/SS/2008	September 2, 2011	Nitin Somani
24.	Court case no. 4111299/SS/2008	September 2, 2011	Nitin Somani
25.	Court case no. 4111300/SS/2008	September 2, 2011	Nitin Somani
26.	Court case no. 4111301/SS/2008	September 2, 2011	Nitin Somani
27.	Court case no. 4111303/SS/2008	September 2, 2011	Nitin Somani
28.	Court case no. 4111304/SS/2008	September 2, 2011	Nitin Somani
29.	Court case no. 4111305/SS/2008	September 2, 2011	Nitin Somani
30.	Court case no. 4111306/SS/2008	September 2, 2011	Nitin Somani
31.	Court case no. 1776/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
32.	Court case no. 1777/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
33.	Court case no. 1778/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
34.	Court case no. 1779/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
35.	Court case no. 1780/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
36.	Court case no. 1781/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
37.	Court case no. 1782/SS/2009	September 3, 2011	Nitin Somani, Sonal Somani
38.	Court case no. 10809/SS/2008	September 3, 2011	Nitin Somani

The License Inspector visited various locations in the city of Mumbai on or about the months of August, September and October, 2008, and found vinyl cloth boards (the “**Advertisement**”) displaying “M/s. Fast Train Cargo Private Limited” being exhibited by the Accused without the prior permission of the Complainant. Thereafter, the License Inspector issued notice to the Accused, on the direction of the Senior License Inspector.

Since no evidence could be established that it was the Accused who caused the exhibition of the Advertisement, the Accused was acquitted and his bail bond was cancelled by an Order dated September 2, 2011.

B. Litigations by our Promoters

NIL

III. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)

A. Litigation against our Directors (Other than Promoters)

Mr. Manoj Somani

- i. Citibank NA (“**Citibank**”) has issued a notice dated November 10, 2009 (“**Notice**”) through its Advocates to Nitin Somani, Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, Fast Train Cargo Private Limited and Manoj Somani (“**Disputants**”) under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“**Act**”). Citibank, through its Advocates Notice stated that the Disputants had approached Citibank for availing a loan facility and Citibank had sanctioned finance facility for an amount of ₹ 20,000,000 (“**Facility**”) vide loan agreement dated August 1, 2008 (“**Loan Agreement**”). As per the Loan Agreement, the Disputants were to repay the Facility in 120 equated monthly instalments of ₹ 307,534 (“**Installments**”). The account of the Disputants was classified as “non – performing asset” on July 31, 2009 and notice of the same was also given to the Disputants. Citibank alleged that as on November 9, 2009 a total amount of ₹ 1,801,168 plus interest at the rate of 13.25% per annum (“**Claim Amount**”) was due and payable by the Disputants against the Facility. The Notice also further set out that should the Disputants fail to discharge the Claim Amount in full with a period of 60 days from the date of Notice, Citibank may take further action under section 13 (4) of the Act, for which the Disputants would be liable to bear all related costs. Nitin Somani, through his Advocate replied to the said Notice, after which Citibank orally confirmed that the notice sent

by them was a bonafide mistake and they were willing to settle the issue. Citibank *vide* a letter dated March 13, 2012 has agreed to preclose the Facility and settle the issue for an amount of ₹ 1,405,541.52 out of which ₹ 300,000 have been paid on March 30, 2012.

B. Litigation by our Directors (Other than Promoters)

NIL

IV. LITIGATION INVOLVING OUR GROUP COMPANIES

A. Litigations against our Group Companies

Shree Fast Courier and Cargo Private Limited

1. Citibank NA (“**Citibank**”) has issued a notice dated November 10, 2009 (“**Notice**”) through its Advocates to Nitin Somani, Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, Fast Train Cargo Private Limited and Manoj Somani (“**Disputants**”) under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“**Act**”). Citibank, through its Advocates Notice stated that the Disputants had approached Citibank for availing a loan facility and Citibank had sanctioned finance facility for an amount of ₹ 20,000,000 (“**Facility**”) *vide* loan agreement dated August 1, 2008 (“**Loan Agreement**”). As per the Loan Agreement, the Disputants were to repay the Facility in 120 equated monthly instalments of ₹ 307,534 (“**Installments**”). The account of the Disputants was classified as “non – performing asset” on July 31, 2009 and notice of the same was also given to the Disputants. Citibank alleged that as on November 9, 2009 a total amount of ₹ 1,801,168 plus interest at the rate of 13.25% per annum (“**Claim Amount**”) was due and payable by the Disputants against the Facility. The Notice also further set out that should the Disputants fail to discharge the Claim Amount in full with a period of 60 days from the date of Notice, Citibank may take further action under section 13 (4) of the Act, for which the Disputants would be liable to bear all related costs. Nitin Somani, through his Advocate replied to the said Notice, after which Citibank orally confirmed that the notice sent by them was a bonafide mistake and they were willing to settle the issue. Citibank *vide* a letter dated March 13, 2012 has agreed to preclose the Facility and settle the issue for an amount of ₹ 1,405,541.52 out of which ₹ 300,000 have been paid on March 30, 2012.

Fast Air Cargo Private Limited

1. Citibank NA (“**Citibank**”) has issued a notice dated November 10, 2009 (“**Notice**”) through its Advocates to Nitin Somani, Sonal Somani, Shree Fast Courier Cargo Private Limited, Fast Air Cargo Private Limited, Fast Train Cargo Private Limited and Manoj Somani (“**Disputants**”) under section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (“**Act**”). Citibank, through its Advocates Notice stated that the Disputants had approached Citibank for availing a loan facility and Citibank had sanctioned finance facility for an amount of ₹ 20,000,000 (“**Facility**”) *vide* loan agreement dated August 1, 2008 (“**Loan Agreement**”). As per the Loan Agreement, the Disputants were to repay the Facility in 120 equated monthly instalments of ₹ 307,534 (“**Installments**”). The account of the Disputants was classified as “non – performing asset” on July 31, 2009 and notice of the same was also given to the Disputants. Citibank alleged that as on November 9, 2009 a total amount of ₹ 1,801,168 plus interest at the rate of 13.25% per annum (“**Claim Amount**”) was due and payable by the Disputants against the Facility. The Notice also further set out that should the Disputants fail to discharge the Claim Amount in full with a period of 60 days from the date of Notice, Citibank may take further action under section 13 (4) of the Act, for which the Disputants would be liable to bear all related costs. Nitin Somani, through his Advocate replied to the said Notice, after which Citibank orally confirmed that the notice sent by them was a bonafide mistake and they were willing to settle the issue. Citibank *vide* a letter dated March 13, 2012 has agreed to preclose the Facility and settle the issue for an amount of ₹ 1,405,541.52 out of which ₹ 300,000 have been paid on March 30, 2012.

B. Litigation by our Group Companies

Shree Fast Courier and Cargo Private Limited

1. Complaint Case No. 2673 of 2010 filed by Shree Fast Courier and Cargo Private Limited (“Complainant”) versus Purshottam Sirumal Shroff (“Accused”) before the Court of the Additional Metropolitan Magistrate, 7th Court at Dadar

Shree Fast Courier and Cargo Private Limited has filed a complaint bearing Complaint Case No. 2673 of 2010 against Purshottam Sirumal Shroff before the Court of the Additional Metropolitan Magistrate, 7th Court at Dadar under section 138 of the Negotiable Instruments Act, 1881. The Accused had issued the following cheques in favour of the Complainant:

Sr. No.	Cheque no.	Date of cheque	Amount	Name of the Bank where the cheque is drawn
1.	579536	October 9, 2009	11,00,000	Vijaya Bank, Bandra (West) Branch
Total			11,00,000	

The Complainant, pursuant to Memorandum of Understanding dated April 23, 2009 (“MoU”) executed between the Accused and his wife Neelam Purshottam Shroff on one part and S.B. Developers on the other part, paid a sum of ₹ 1,100,000 to the Accused. The Director of the Complainant, Nitin Somani is the proprietor of S. B. Developers.

Pursuant to further developments, the parties to the said MoU mutually decided to cancel the said MoU and the amounts paid prior to and upon execution would be duly refunded. Accordingly, the Complainant issued the above cheque to refund the said amount of ₹ 1,100,000 and discharge his liability towards the Complainant. The Complainant presented the aforesaid cheque for payment to in the first week of November and the same was dishonoured. The Accused paid a sum of ₹ 500,000 by pay order. The Complainant thereafter presented a cheque to Bharat Co-operative Bank, Dadar Branch on April 6, 2010. The said cheque was returned with remark “Payment Stopped by Drawer”. The Complainant admitted that the legally enforceable debt of the Accused towards the Complainant was ₹ 600,000, which remained undischarged.

The Complainant had thereafter issued a notice dated May 5, 2010 to the Accused therein calling upon the Accused to forthwith make the payment of the total amount of ₹ 600,000 being due and payable in respect of the aforesaid cheques. The Accused replied to the aforesaid notice of the Complainant by his advocate’s letter dated June 3, 2010 in which he admitted to receiving an amount of ₹ 1,100,000 from the Complainant. The Accused further admitted that he paid an amount of ₹ 500,000 by pay order but denied the claim of the Complainant towards the balance amount of ₹ 600,000, stating that he had already paid the amount of ₹ 600,000 by cash on November 6, 2009.

The Complainant has *inter alia* prayed for the following the above mentioned Complaint:

That action may be initiated against the Accused under Sections 138 and 142 of the Negotiable Instruments Act, 1881;

That the Accused be summoned, tried and punished in accordance with the law for the offence committed by them.

The matter is pending before the Court of the Additional Metropolitan Magistrate, 7th Court at Dadar. The next date of hearing of this matter is May 11, 2012.

Fast Air Cargo Private Limited

1. Complaint Case No. 2674 of 2010 filed by Fast Air Cargo Private Limited (“Complainant”) versus Purshottam Sirumal Shroff (“Accused”) before the Court of the Additional Metropolitan Magistrate, 7th Court at Dadar

Fast Air Cargo Private Limited has filed a complaint bearing Complaint Case No. 2674 of 2010 against Purshottam Sirumal Shroff before the Court of the Additional Metropolitan Magistrate, 7th Court at Dadar under section 138 of the Negotiable Instruments Act, 1881. The Accused had issued the following cheques in favour of the Complainant:

Sr. No.	Cheque no.	Date of cheque	Amount	Name of the Bank where the cheque is
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				drawn
1.	579537	October 9, 2009	2,000,000	Vijaya Bank, Bandra (West) Branch
2.	579538	October 9, 2009	2,000,000	Vijaya Bank, Bandra (West) Branch
3.	579539	October 9, 2009	252,000	Vijaya Bank, Bandra (West) Branch
4.	579540	October 17, 2009	250,000	Vijaya Bank, Bandra (West) Branch
Total			4,502,000	

The Complainant, pursuant to Memorandum of Understanding dated April 23, 2009 (“MoU”) executed between the Accused and his wife Neelam Purshottam Shroff on one part and S.B. Developers on the other part, paid a sum of ₹ 4,000,000 to the Accused. The Director of the Complainant, Nitin Somani is the proprietor of S.B. Developers.

Pursuant to further developments, the parties to the said MoU mutually decided to cancel the said MoU and the amounts paid prior to and upon execution would be duly refunded. It was further decided that miscellaneous expenses incurred by the Complainant amounting to ₹ 502,000 would be paid by the Accused to the Complainant.

Accordingly, the Complainant issued the above cheques to refund the said amount of ₹ 4,502,000 and discharge his liability towards the Complainant. The Complainant presented the aforesaid cheques at serial number 1 to 3 for payment on October 9, 2009 and the same were dishonoured. The Accused paid a sum of ₹ 1,825,000 by pay order. The Complainant thereafter presented a cheque to Bharat Co-operative Bank, Dadar Branch on April 6, 2010. The said cheque was returned on April 7, 2010 with remark “Payment Stopped by Drawer”. The Complainant admitted that the legally enforceable debt of the Accused towards the Complainant was ₹ 2,677,000, which remained un-discharged.

The Complainant had thereafter issued a notice dated May 5, 2010 to the Accused therein calling upon the Accused to forthwith make the payment of the total amount of ₹ 2,677,000 being due and payable. The Accused replied to the aforesaid notice of the Complainant by his advocate’s letter dated June 3, 2010 in which he admitted to receiving an amount of ₹ 4,500,000 from the Complainant. The Accused further admitted that he paid an amount of ₹ 1,825,000 by pay order but denied the claim of the Complainant towards the balance amount of ₹ 2,677,000, stating that he was willing to pay an amount of ₹ 2,175,000 instead of ₹ 2,677,000.

The Complainant has *inter alia* prayed for the following the above mentioned Complaint:

That action may be initiated against the Accused under Sections 138 and 142 of the Negotiable Instruments Act, 1881;

That the Accused be summoned, tried and punished in accordance with the law for the offence committed by them.

The matter is pending before the Court of the Additional Metropolitan Magistrate, 7th Court at Dadar.

The next date of hearing of this matter is May 11, 2012.

PENALTIES LEVIED UPON OUR COMPANY IN THE PAST FIVE YEARS

Sr. No.	Date	Particulars of the penalty	Amount	Whether paid or not
NIL				

Material Developments

In the opinion of the Board, other than as disclosed in the Notes to our Financial Statements in the section “Financial Statements” on page no. 139 and in the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page no. 158 of this Draft Red Herring Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities over the next 12 months.

Amounts due to small scale undertakings

The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2011 as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year is NIL. Further, there is no small scale undertaking or any other creditor to whom the Company owes a sum exceeding ₹ 1 lakh which is outstanding for more than thirty (30) days.

Adverse Events

There has been no adverse event affecting the operations of our Company occurring within one year prior to the date of filling Draft Red Herring Prospectus with the Registrar of Companies.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies/private certification agencies required for our present business and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

I. APPROVALS FOR THE ISSUE

Corporate Approvals

Our Board has, pursuant to resolutions passed at its meeting held on January 02, 2012 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 in the EGM held with a shorter notice on January 04, 2012 under Section 81(1A) of the Companies Act, authorised the Issue.

Approval from the Stock Exchanges

In-principle approval from the BSE Limited dated [●].

In-principle approval from the National Stock Exchange of India Limited dated [●].

II. TRADEMARKS

Detailed below are the trademarks registered or licensed in favour of our Company:

Description	Applicant	Reference No.	Class	Date of Filing	Date of grant
Registration of the trademark	Fast Train Cargo Limited	2253655	39	December 21, 2011	Applied for, Pending approval

III. OPERATING LICENSES

Incorporation and other statutory compliances

Sr. No	Description	License/ Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Incorporation	157383 of 2005	November 18, 2005	N.A.
2.	Fresh Certificate of incorporation consequent upon change of name on conversion to Public Limited Company, by the Registrar of Companies, Mumbai, i.e. from Fast Train Cargo Private Limited to Fast Train Cargo Limited	U63020MH2005PLC1 57383	December 14, 2011	N.A.
3.	Employee State Insurance Corporation	31001017170000799	January 15, 2012	N. A.
4.	Motor Transport Workers' Act	5928	January 23, 2012	December 31, 2012

Income Tax

Sr. No	Description	License/ Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN) issued by the Income Tax Department	AAACF9293K	November 18, 2005	Until cancelled
2.	Tax deduction account number (TAN) issued by the Income Tax Department	MUMF04498E	-	Until cancelled

Excise & Service Tax

Sr. No	Description	License/ Registration Number	Date of Issue	Date of Expiry
1.	Service Tax Registration Certificate	AAACF9293KST001	December 12, 2005	Until cancelled

Others

Sr. No	Description	License/ Registration Number	Date of Issue	Date of Expiry
1.	Registration Certificate of establishment under the Bombay Shops and Establishments Act, 1948.	760010056 / COMMERCIAL II	June 1, 2007	December 31, 2012
2.	Registration Certificate of establishment under the Bombay Shops and Establishments Act, 1948.	Tathawade/II/0172475	December 22, 2011	December 21, 2012
3.	Registration Certificate of Establishment	H - 14/143/No. - 1010/204	November 11, 2011	December 31, 2015
4.	Registration Certificate under the Madhya Pradesh Shops and Establishments Act, 1958.	11603/IND/CE/11	September 9, 2011	December 31, 2014
5.	Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	99831635324P	N/A	N/A
6.	Professional Tax Registration Certificate	2739541662P	November 16, 2011	Until Cancelled
7.	PF Certificate issued by the Employees' Provident Fund Organisation	MH/BAN/49797	April 01, 2008	Until Cancelled

Permits

Sr. No	Issuing Authority	Name of the License Holder*	Type of License/Registration	Permit Authorization number	Date of Issue	Validity
1	Transport Department, Haryana	Love Dev Thakur	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/3/102 011/32414	October 14, 2011	October 1, 2011 to September 30, 2012
2	Transport Department, Haryana	Love Dev Thakur	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/3/102 011/32403	October 14, 2011	October 1, 2011 to September 30, 2012
3	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/37561	September 16, 2011	September 12, 2011 to September 11, 2012
4	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/37542	September 16, 2011	September 12, 2011 to September 11, 2012
5	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/37535	September 16, 2011	September 12, 2011 to September 11, 2012

Sr. No	Issuing Authority	Name of the License Holder*	Type of License/Registration	Permit Authorization number	Date of Issue	Validity
6	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/34215	September 15, 2011	September 12, 2011 to September 11, 2012
7	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/34219	September 15, 2011	September 12, 2011 to September 11, 2012
8	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/34207	September 15, 2011	September 12, 2011 to September 11, 2012
9	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/59395	September 27, 2011	September 20, 2011 to September 19, 2012
10	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/102 011/8884	October 04, 2011	September 26, 2011 to September 25, 2012
11	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/59401	September 27, 2011	September 20, 2011 to September 19, 2012
12	Transport Department, Haryana	Fast Train Cargo Private Limited	Authorisation Certificate of N.P. (Goods). Authorisation valid throughout the territory of India.	NP/HR/5/092 011/37552	September 16, 2011	September 12, 2011 to September 11, 2012
13	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	KA01-NP/1118/2011-12	August 20, 2011	August 20, 2011 to August 19, 2016
14	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/26522	August 12, 2011	August 12, 2011 to August 11, 2016
15	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/43414	August 22, 2011	August 22, 2011 to August 21, 2016
16	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/43433	August 22, 2011	August 22, 2011 to August 21, 2016
17	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/43425	August 22, 2011	August 22, 2011 to August 21, 2016
18	Regional Transport	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid	NP/KA/1/082 011/43380	August 22, 2011	August 22, 2011 to

Sr. No	Issuing Authority	Name of the License Holder*	Type of License/Registration	Permit Authorization number	Date of Issue	Validity
	Authority, Bangalore		throughout the territory of India.			August 21, 2016
19	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/43390	August 22, 2011	August 22, 2011 to August 21, 2016
20	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/43373	August 22, 2011	August 22, 2011 to August 21, 2016
21	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/26509	August 12, 2011	August 12, 2011 to August 11, 2016
22	Transport Department, Karnataka	Fast Train Cargo Private Limited	Certificate of Registration	NP/KA/1/082 011/23404	August 11, 2011	August 10, 2011 to August 9, 2012
23	Transport Department, Karnataka	Fast Train Cargo Private Limited	Certificate of Registration	NP/KA/1/082 011/23419	August 11, 2011	August 10, 2011 to August 9, 2012
24	Transport Department, Karnataka	Fast Train Cargo Private Limited	Certificate of Registration	NP/KA/1/082 011/23443	August 11, 2011	August 10, 2011 to August 9, 2012
25	Transport Department, Karnataka	Fast Train Cargo Private Limited	Certificate of Registration	NP/KA/1/082 011/23395	August 11, 2011	August 10, 2011 to August 9, 2012
26	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid in Karnataka, Andhra Pradesh, Kerala, Tamil Nadu and Maharashtra	NP/30813	August 13, 2011	August 13, 2008 to August 12, 2013
27	Transport Department, Andhra Pradesh	Fast Train Cargo Private Limited	Certificate of Registration	AP028/3185/PPC/2007	August 9, 2007	August 9, 2012
28	Regional Transport Authority, Bangalore	Fast Train Cargo Private Limited	National Permit For Goods Carrier valid throughout the territory of India.	NP/KA/1/082 011/43404	August 22, 2011	August 22, 2011 to August 21, 2016
29	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/092 011/10450	September 5, 2011	September 6, 2011 - September 5, 2016
30	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/092 011/10439	September 5, 2011	September 6, 2011 - September 5, 2016
31	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/102 011/45325	October 19, 2011	October 20, 2011 to October 19, 2016
32	Madhya Pradesh	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/092 011/54018	September 23, 2011	September 24, 2011 to

Sr. No	Issuing Authority	Name of the License Holder*	Type of License/Registration	Permit Authorization number	Date of Issue	Validity
	Transport Department					September 23, 2016
33	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/102 011/45318	October 19, 2011	October 20, 2011 to October 19, 2016
34	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/102 011/45323	October 19, 2011	October 20, 2011 to October 19, 2016
35	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/102 011/45321	October 19, 2011	October 20, 2011 to October 19, 2016
36	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/092 011/54027	September 23, 2011	September 24, 2011 to September 23, 2016
37	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/092 011/54034	September 23, 2011	September 24, 2011 to September 23, 2016
38	Regional Transport Authority	Fast Train Cargo Private Limited	Goods carriage permit	MH04/08/110 054	April 23, 2008	April 22, 2008 to April 21, 2013
39	Regional Transport Authority, Thane	Fast Train Cargo Private Limited	Goods carriage permit	MH04/11/152 775	August 11, 2011	August 11, 2011 to August 10, 2016
40	Regional Transport Authority, Thane	Fast Train Cargo Private Limited	Goods carriage permit	MH04/11/152 778	August 11, 2011	August 11, 2011 to August 10, 2016
41	Regional Transport Authority, Thane	Fast Train Cargo Private Limited	Goods carriage permit	MH04/11/152 776	August 11, 2011	August 11, 2011 to August 10, 2016
42	Regional Transport Authority, Thane	Fast Train Cargo Private Limited	Goods carriage permit	MH04/11/152 777	August 11, 2011	August 11, 2011 to August 10, 2016
43	Regional Transport Authority, Thane	Fast Train Cargo Private Limited	Goods carriage permit	MH04/11/965 57	August 3, 2007	August 3, 2007 to August 2, 2012
44	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/102 011/48805	September 23, 2011	September 24, 2011 to September 23, 2016
45	Madhya Pradesh Transport Department	Fast Train Cargo Private Limited	Certificate of Registration	NP/MP/9/082 011/52121	August 25, 2011	August 26, 2011 to August 24, 2016

The balance vehicles do not require national permits to operate. Following are the details of the fitness certificates/RC copies for such vehicles, which do not operate on National Permit:

Sr. No.	Issuing Authority	Name of the Licensee	Type of License	Certificate Number	Vehicle Number	Date of Issue	Validity
1.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	117784	MH04/EY/94 85	April 18, 2011	April 18, 2011 to April 17, 2013
2.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	117780	MH04/EY/94 87	April 18, 2011	April 18, 2011 to April 17, 2013
3.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	117783	MH04/EY/95 22	April 18, 2011	April 18, 2011 to April 17, 2013
4.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	117782	MH04/EY/95 23	April 18, 2011	April 18, 2011 to April 17, 2013
5.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	117781	MH04/EY/95 24	April 18, 2011	April 18, 2011 to April 17, 2013
6.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	117779	MH04/EY/95 26	April 18, 2011	April 18, 2011 to April 17, 2013
7.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	0457944	MH04/DS/19 60	September 25, 2011	September 25, 2011 to September 25, 2012
8.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	140335	MH04/DS/19 52	September 13, 2011	September 13, 2011 to September 12, 2012
9.	Inspector of Motor Vehicle	Fast Train Cargo Private Limited	Certificate of Fitness	141086	MH04/DS/21 25	September 14, 2011	September 14, 2011 to September 13, 2012
10.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of Fitness	FC/45114/2 011/AP009	AP-09-TA-3696	November 23, 2011	November 23, 2011 to November 22, 2012
11.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of fitness	FC/44994/2 011/AP009	AP-09-TA-3698	November 23, 2011	November 23, 2011 to November 22, 2012
12.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of fitness	FC/44993/2 011/AP009	AP-09-TA-3697	November 22, 2011	November 22, 2011 to November 21, 2012
13.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of fitness	FC/45115/2 011/AP009	AP-09-TA-3700	November 23, 2011	November 23, 2011 to November 22, 2012
14.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of fitness	0001874	TN-66-5185	June 08, 2011	June 8, 2011 to June 7, 2012
15.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of fitness	278809	MH-04-DS-2123	November 24, 2011	November 24, 2011 to November 23, 2012
16.	Motor Vehicle Inspector	Fast Train Cargo Private Limited	Certificate of fitness	8520432	TN-01-AJ-3305	July 7, 2011	July 6, 2011 to July 5, 2012

17.	Motor Vehicle Inspector	Fast Cargo Limited	Train Private	Certificate of fitness	8520819	TN-01-AJ-3288	July 22, 2011	July 22, 2011 to July 21, 2012
18.	Motor Vehicle Inspector	Fast Cargo Limited	Train Private	Certificate of fitness	8508962	TN-01-AJ-3307	July 14, 2011	July 14, 2011 to July 13, 2012
19.	Motor Vehicle Inspector	Fast Cargo Limited	Train Private	Certificate of fitness	18516/2011	TN-01-AJ-3363	August 3, 2011	August 3, 2011 to August 2, 2012
20.	Government of West Bengal, Public Vehicles Department	Fast Cargo Limited	Train Private	Certificate of fitness	CF-547176	WB-03-C-1146	December 7, 2011	December 7, 2011 to December 01, 2012
21.	Government of West Bengal, Public Vehicles Department	Fast Cargo Limited	Train Private	Certificate of fitness	CF-547192	WB-03-C-1147	December 7, 2011	December 7, 2011 to November 27, 2012
22.	Inspector of Motor Vehicle	Fast Cargo Limited	Train Private	Certificate of Fitness	0474653	MH-04-FJ-3144	December 19, 2011	December 19, 2011 to December 18, 2012
23.	Inspector of Motor Vehicle	Fast Cargo Limited	Train Private	Certificate of Fitness	0474658	MH-04-FJ-3145	December 19, 2011	December 19, 2011 to December 18, 2012
24.	Inspector of Motor Vehicle	Fast Cargo Limited	Train Private	Certificate of Fitness	0474654	MH-04-FJ-3146	December 19, 2011	December 19, 2011 to December 18, 2012
25.	Inspector of Motor Vehicle	Fast Cargo Limited	Train Private	Certificate of Fitness	0474852	MH-04-FJ-3147	December 19, 2011	December 19, 2011 to December 18, 2012
26.	Inspector of Motor Vehicle	Fast Cargo Limited	Train Private	Certificate of Fitness	0474851	MH-04-FJ-3148	December 19, 2011	December 19, 2011 to December 18, 2012

IV. LICENCES APPLIED FOR PENDING APPROVAL

NIL

Wherever required, our Company has made applications to all concerned authorities, for change of name in the respective licenses and approvals (appearing hereinabove) from Fast Train Cargo Private Limited to Fast Train Cargo Limited.

SECTION VIII - REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by a resolution of our Board dated January 02, 2012 and by special resolution passed pursuant to Section 81(1A) of the Companies Act, at the EGM of the shareholders of our Company held with a shorter notice on January 04, 2012.

Prohibition by SEBI, RBI or governmental authorities

Our Company, Promoters, Promoter Group, Directors and group companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority.

Neither our Company nor the Directors, the Promoters have been declared as a wilful defaulter by the RBI or any other governmental authority.

None of the Directors of our Company are associated with the securities market in any manner. There has been no violation of any securities law committed by our Company, the Directors, the Promoters, the Promoter Group entities and the companies in which the Directors are associated as Directors in the past and no such proceedings are pending against any of them and they have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26 of the SEBI (ICDR) Regulations 2009, which states as:

(26)(1) An Issuer may make an initial public offering, if:

(a) The Company has Net Tangible Assets of at least ₹ 3 crores in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in Monetary Assets; Provided that if more than 50% of the Net Tangible Assets are held in Monetary Assets, the Company has made firm commitments to deploy such excess Monetary Assets in its business/project; Provided further that the limit of 50% on monetary assets shall not be applicable in case the public offer is made entirely through an offer for sale.

Our Company has Net tangible Assets of at least ₹ 3 Crores in each of the preceding 3 full years, of which not more than 50% are held as monetary assets.

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2012	2011	2010
Fixed Assets			
Gross Block	1340.70	521.53	470.11
Less: Depreciation	181.16	169.19	107.82
Net Block (A)	1,159.54	352.34	362.29
Current Assets, Loans & Advances			
Inventories	0.00	0.00	0.00
Sundry debtors	1,606.97	1,180.39	1,040.16
Cash & Bank Balances	25.01	32.08	19.30
Loans And Advances	388.17	213.90	491.17
Total Current Assets (B)	2,020.15	1,426.37	1,550.63
Investment (C)	0.00	0.00	0.00
Current Liabilities and Provisions			
Sundry Creditors	439.98	962.26	1,313.97
Provisions	332.25	157.25	72.55
Total Current Liabilities and Provisions (D)	772.23	1,119.51	1,386.52
Net Tangible Assets* (A+B+C-D)	2,407.46	659.20	526.40
Monetary Assets	25.01	32.08	19.30
% of the net Tangible Assets	1.04%	4.87%	3.67%

*Net tangible assets is defined as the sum of fixed assets (excluding revaluation reserves), current assets (excluding deferred tax assets) less current liabilities (including Cash credit and excluding deferred tax liabilities and long term liabilities)

(b) *The Company has a track record of distributable profits in terms of Section 205 of the Companies Act, 1956, on both stand-alone as well as consolidated basis for at least three (3) out of immediately preceding five (5) years; Provided that extraordinary items shall not be considered for calculating distributable profits; Provided further that an issuer who had subsidiary / subsidiaries for a period lesser than five years, shall have net profits on a consolidated basis in atleast one year for which consolidated accounts are prepared.*

Our Company does not have any Subsidiaries and thus no consolidated accounts are prepared. Our Company has a track record of distributable profits in accordance with Section 205 of the Companies Act, 1956 for at least three of immediately preceding five years.

(₹ in lakhs)

Particulars	Year ended March 31,				
	2012	2011	2010	2009	2008
Distributable Profits	460.81	219.21	80.78	70.68	84.34

(c) *The Company has a net worth of at least ₹ one (1) crore in each of the preceding 3 full years (of 12 months each);*

Our Company has a net worth of at least ₹ 1 Crore in each of the three preceding full years (of 12 months each)

(₹ in lakhs)

Particulars	Year ended March 31,				
	2012	2011	2010	2009	2008
Equity Share Capital	550.00	10.00	10.00	10.00	10.00
Reserves & Surplus	1,299.77	479.44	260.23	179.45	108.77
Less: Misc. Exp	12.00	0.00	0.00	0.05	0.10
Less: Deferred Tax Assets	0.00	0.00	0.00	0.00	0.00
Net Worth	1,837.77	489.44	270.23	189.40	118.67

(d) *The aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e., offer through offer document + firm allotment + Promoters' contribution through the offer document), does not exceed five (5) times its pre-issue Networth as per the audited balance sheet of the preceding financial year.)*

Our Company is proposing an issue of 5,283,000 equity shares of ₹ 10 each at a price of ₹ [●] aggregating to ₹ [●]. The Pre-issue Net Worth of our Company is ₹ 1,837.77 lakhs as on March 31, 2012. Our Company shall ensure that the aggregate of the proposed issue and all previous issues made in the same financial year, if any, in terms of size (i.e. public issue by way of offer document + firm allotment + Promoters' contribution through the offer document) does not exceed five (5) times our pre- issue net worth as per the audited balance sheet of the last financial year.

(e) *In case the Company has changed its name within the last one year, atleast 50% of the revenue for the preceding 1 full year is earned by the Company from the activity suggested by the new name.*

Our Company has not changed its name within last one year.

Accordingly, our Company is eligible for the Issue under Regulation 26(1) of the SEBI (ICDR) Regulations 2009. However, our Company is doing a "Voluntary Book Building Issue" wherein our Company proposes to allot not more than 50% of the issue to QIBs and under-subscription, if any, in the QIB portion will be added back to the other categories of the Issue.

Further, in accordance with Regulation 26(4) of the SEBI (ICDR) Regulations, we shall ensure that the number of prospective allottees, i.e. the persons to whom the Equity Shares will be allotted under the Issue shall be not less than 1,000, failing which, the entire application money will be refunded forthwith. In case of delay, if any,

in refund, our Company shall pay interest on the application money at the rate of upto 15% per annum on application money for the period of delay as prescribed under section 73 of the Companies Act.

Compliance with Part A of Schedule VIII of the SEBI Regulations

Our Company is in compliance with the provisions specified in Part A of Schedule VIII of the SEBI Regulations. No exemption from eligibility norms has been sought under regulation 109 of the SEBI Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a Company.

DISCLAIMER CLAUSES**SEBI DISCLAIMER CLAUSE**

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (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 OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ASHIKA CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ASHIKA CAPITAL LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE APRIL 30, 2012 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- (2) 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;**
- (3) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- (4) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- (5) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

- (6) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS/DRAFT PROSPECTUS.
- (7) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS
- (8) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.
- (9) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- (10) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.
- (11) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE ALLOTTED SHARES IN DEMATERIALIZED MODE ONLY.
- (12) 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.
- (13) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
- (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

- (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- (14) 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.
- (15) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.
- (16) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME; WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE DRHP.

Price Information of Past Issues handled by BRLM

1. Price information of past IPOs handled by Ashika

Sr. No	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	Closing Price on Listing Date	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index ¹ on Listing Date (Closing)	Closing Price as on 10th Calendar Day from Listing Day	Benchmark index as on 10th Calendar Day from Listing Day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar days from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar days from listing day (Closing)
1	Olympic Cards Limited	23.37	30.00	March 28, 2012	29.95	28.50	(5.00)%	17,121.62	29.00	17,222.14	29.95	17,150.95	29.05	17,130.67
2	Vaswani Industries Limited	49.00	39.20 ⁴	October 24, 2011 ⁵	33.45	17.75	(54.71)%	16,939.28	11.43	17,464.85	13.57	17,118.74	10.78	16,065.42
3	VMS Industries Limited	25.75	40.00	June 14, 2011	43.95	28.50	(28.75)%	18,308.66	14.30	17,727.49	14.25	18,814.48	14.20	18,596.02
4	Sudar Garments Limited	69.98	77.00	March 11, 2011	74.00	113.10	46.88%	18,174.09	104.35	17,839.05	116.65	19,290.18	116.05	19,262.54
5	Bedmutha Industries Limited	91.80	102.00	October 14, 2010	114.40	180.80	77.25%	20,497.64	204.20	20,303.12	176.05	20,345.69	116.95	20,156.89

Notes:

- The BSE Sensex is considered as the Benchmark Index
- In case 10th/20th/30th day is not a trading day, closing price of the next trading day on BSE has been considered
- Price on BSE is considered for all of the above calculations
- Issue Price was ₹ 49/- and due to the issue of bonus shares in the ratio of 1:4, the diluted price arrived at ₹ 39.20/-
- The trading commenced on the said date whereas the shares of the Company got listed on September 20, 2011

2. Summary Statement of price information of past IPOs handled by Ashika

Financial Year	Total no. of IPOs	Total Funds Raised (₹ Cr.)	Nos. of IPOs Trading at Discount on Listing Date			Nos. of IPOs Trading at Premium on Listing Date			Nos. of IPOs Trading at Discount as on 30th Calendar Day from Listing Date			Nos. of IPOs Trading at Premium as on 30th Calendar Day from Listing Date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2011-2012	3	98.12	1	1	1	-	-	-	2	-	-	-	-	-
2010-2011	2	161.78	-	-	-	1	1	-	-	-	-	1	-	1
2009-2010	0	-	-	-	-	-	-	-	-	-	-	-	-	-

Track Record of past issues handled by BRLM

For details regarding track record of BRLM to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: <http://www.ashikagroup.com/Static/WhatsNew.aspx?id=6>

Caution - Disclaimer statement from our Company & BRLM:

Our Company and the BRLM accept no responsibility for statements made otherwise than in the offer document or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information including website of our Company <http://www.fasttraininc.com>, would be doing so at his own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into among the Book Running Lead Manager and our Company and the Underwriting Agreement to be entered into between the Underwriter and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company nor the Syndicate Members are liable for any failure in downloading 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, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares 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 authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds) and to and to FIIs, eligible NRIs and other eligible foreign investors (i.e., FVCIs, multilateral and bilateral development financial institutions). This DRHP does not, however, constitute an invitation to subscribe to shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this DRHP 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 the DRHP has been filed with SEBI. Accordingly, the Equity Shares

represented thereby may not be offered or sold, directly or indirectly, and this DRHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this DRHP nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus had been submitted to BSE. The Disclaimer Clause as intimated by BSE to our Company, post scrutiny of this DRHP, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus had been submitted to NSE. The Disclaimer Clause as intimated by NSE to our Company, post scrutiny of this DRHP, shall be included in the Red Herring Prospectus prior to the RoC filing.

FILING

A copy of the DRHP has been filed with the Regional Office of SEBI at:

SEBI Office

Corporate Finance Department,
Division of Issues & Listing of SEBI at SEBI Bhavan,
Bandra Kurla Complex,
Bandra East, Mumbai – 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under 60B of the Companies Act would be delivered for registration to the RoC at:

Registrar of Companies

100, Everest,
Marine Drive,
Mumbai – 400002,
Maharashtra, India
Tel: 022-22812639; Fax: 022-22811977;
Email: roc.mumbai@mca.gov.in

A copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC at the above mentioned address.

LISTING

Application has been made to the BSE Limited and National Stock Exchange of India Limited, for permission to deal in and for an official quotation of the Equity Shares to be issued under the present public offer pursuant to this document.

BSE Limited shall be the Designated Stock Exchange with which the basis of allotment will be finalized for the QIB, Non Institutional and Retail portion.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the BSE and National Stock Exchange, we shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this DRHP. If such money is not repaid within eight days after we become liable to repay it, i.e., from the date of refusal or within 7 days from the date of Bid/ Issue Closing Date, whichever is earlier, then we and all our directors jointly and severally shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

We shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at BSE and NSE are taken within seven working days of finalization of Basis of Allotment for the Issue.

CONSENTS

Necessary Consents for the issue have been obtained from the following:

1. Directors of our Company
2. Promoters of our Company
3. Statutory Auditors of our Company
4. Book Running Lead Manager to the Issue
5. Syndicate Members
6. Legal Advisor to the Issue
7. Registrar to the Issue
8. Company Secretary and Compliance Officer
9. IPO Grading Agency
10. Bankers to our Company
11. Bankers to the Issue
12. Underwriters to Issue

The said consents would be filed along with a copy of the Red Herring Prospectus with the Registrar of Companies, 100, Everest, Marine Drive, Mumbai – 400002, India as required under Sections 60 and 60B of the Companies Act, 1956 and such consents have not been withdrawn upto the time of delivery of the Red Herring Prospectus, for registration with the RoC.

Sandeep Rathi & Associates, our Statutory Auditors, have given their written consent to the report on possible tax benefits accruing to our Company and its members in the form and context in which it appears in this DRHP and has not withdrawn such consent up to the time of filing of this Prospectus with the RoC.

Sandeep Rathi & Associates, Chartered Accountants, Statutory Auditors, who holds a Peer Review Certificate, have given their written consent to the report on restated financial information of our Company, in the form and context in which it appears in this DRHP and has not withdrawn such consent up to the time of filing of this Prospectus with the RoC.

Expert Opinion

Except the report of the Statutory Auditors dated April 20, 2012 provided by Sandeep Rathi & Associates, Chartered Accountants, and the report of [●] in respect of IPO grading of this Issue, we have not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹ [●] The expenses of this Issue include, among others, underwriting and management fees, SCSB's commission/ fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. Our Company would pay all expenses with respect to the Issue.

The estimated Issue expenses are as under:

(₹ in lakhs)

Activity	Expenses*	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Fees to be paid to the Book Running Lead Manager	[●]	[●]	[●]
Fees to be paid to the Registrar to the Issue	[●]	[●]	[●]
Fees to be paid to the domestic and international legal advisors to the Issue	[●]	[●]	[●]
IPO Grading	[●]	[●]	[●]
Underwriting commission	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Printing, stationery and distribution expenses	[●]	[●]	[●]
Others (SEBI filing fee, listing fee, etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	100	[●]

* Will be incorporated after finalisation of Issue Price.

Fees Payable to the BRLM and the Syndicate Members

The total fees payable to the Book Running Lead Manager and the Syndicate Members will be as per the engagement letter dated August 12, 2011 with the BRLM issued by our Company, a copy of which is available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable by us to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as the per the memorandum of understanding between us and the Registrar to the Issue dated December 1, 2011, a copy of which is available for inspection at the Registered Office of our Company from 10.00 a.m. to 4.00 p.m. on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post or speed post.

IPO Grading

This Issue has been graded by [●] and has been assigned a grade of IPO Grade [●] indicating [●], through its letter dated [●].

The rationale furnished by the grading agency for its grading will be available for inspection and will be provided to the Designated Stock Exchange and updated at the time of filing the Red Herring Prospectus with the RoC.

Disclaimer of IPO Grading Agency - [●]

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is the initial public offer of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

Previous Rights and Public Issues

Our Company has not made any public issue (including any rights issues to the public) since its inception.

Companies under the Same Management

Except as disclosed in section “Promoters Group Entities” beginning on page no. 123 of this Draft Red Herring Prospectus, no company under the same management within the meaning of Section 370(1B) of the Companies Act has made any public issue (including any rights issues to the public) during the last three years.

Promise v/s performance

Our Company has not undertaken any previous public or rights issue.

None of the Group Entities or associates of our Company has undertaken any public or rights issue in the last ten years.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the section titled “Capital Structure” on page no. 20 of this Draft Red Herring Prospectus, our Company has not made any previous issues of Equity Shares for consideration otherwise than for cash.

Outstanding Debentures, Bond Issues, or Preference Shares

Our Company has no outstanding debentures or bonds or redeemable preference shares or other such instruments as of the date of this Draft Red Herring Prospectus.

Stock Market Data for our Equity Shares

This being an initial public issue of our Company, the Equity Shares are not listed on any stock exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least one year from the last date of despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB or the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

Our Company and / or the Registrar to the Issue and / or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 10 business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Shareholders/Investors Grievance Committee for the redressal of investor grievances. The constitution of the Shareholders and Investors Grievance Committee is as follows:

Sr. No.	Name of the Director	Designation	Nature of Directorship
1.	Mr. Vinay Choubey	Chairman	Independent and Non Executive Director
2.	Mr. Mehul Nilesh Shah	Member	Independent and Non Executive Director
3.	Mr. Naresh Sharma	Member	Independent and Non Executive Director

We have also appointed Ms. Anshu Shrivastava, Company Secretary of our Company as the Compliance Officer for this Issue and she may be contacted in case of any pre-Issue or post Issue related problems, at the following address:

Victoria House, Victoria Mill Compound,
Office No. 1A, Opposite Bombay Dyeing,
Lower Parel, Mumbai 400013,
Maharashtra, India
Tel: +91-22-24975001
Fax: + 91-22-24975008
Email: csanshu@fasttrainc.com
Website: <http://www.fasttrainc.com>

Disposal of investor grievances by listed companies under the same management as our Company

For details, see the chapter “Promoter Group Entities” beginning on page no. 123 of the Draft Red Herring Prospectus.

Change in Auditors

Our Company has changed the Statutory Auditors, appointing M/s. Sandeep Rathi & Associates, Chartered Accountants in place of M/s. A. Q. Shaikh & Co., Chartered Accountants vide Resolution passed in the EGM dated August 01, 2011.

Capitalization of Reserves or Profits

Our Company has not capitalized our reserves or profits since its inception, except as stated in the section titled “Capital Structure” on page no. 20 of this Draft Red Herring Prospectus.

Revaluation of Assets

We have not revalued our assets since inception.

SECTION IX: ISSUE INFORMATION**TERMS OF THE ISSUE**

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, Stock Exchanges, Registrar of Companies, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable, or such other conditions as may be prescribed by SEBI, the RBI and/or any other authorities while granting its approval for the Issue.

Authority for the Issue

The Board of Directors has, pursuant to a resolution passed at its meeting held on January 02, 2012 authorized the Issue subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act, and such other authorities as may be necessary.

The shareholders of our Company have, pursuant to a resolution passed in the EGM held with a shorter notice dated January 04, 2012 under Section 81(1A) of the Companies Act, authorized the Issue.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act and our Memorandum and Articles and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment. For further details, please see “Main Provisions of the Articles of Association” on page no. 243 of this Red Herring Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the shareholders of our Company in accordance with the provisions of the Companies Act, the Memorandum and Articles and the provision of the Listing Agreements to be executed with the Stock Exchanges.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares.

The Price Band and the minimum lot size for the issue will be decided by our Company, in consultation with the BRLM and advertised in [●] edition of [●] (a widely circulated English national newspaper) and [●] edition of [●] (a widely circulated Hindi national newspaper, Hindi also being the regional language in the state where our Registered Office is located), at least two Working Days prior to the Bid/Issue Opening Date.

Option to Receive Securities in Dematerialised Form

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Compliance with SEBI (ICDR) Regulations, 2009

Our Company shall comply with all requirements of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, notified on August 26, 2009 as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and our Company's Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Our Articles of Association" on page no. 243 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act and SEBI (ICDR) Regulations, the Equity Shares shall be allotted to all investors only in dematerialised form and the trading of our Equity Shares shall only be in dematerialised form, respectively. Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one (1) Equity Share subject to a minimum allotment of [•] Equity Shares to successful bidders.

Jurisdiction

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

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office or to the Registrar and Transfer Agents of our Company.

In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, including devolvement of underwriters within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received.

If there is a delay beyond 8 days after our Company becomes liable to repay the subscription amount, our Company shall pay interest prescribed under Section 73 of the Companies Act.

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

Arrangement for disposal of odd lots

Since, our Equity Shares will be traded in dematerialized form only; the marketable lot is one (1) Equity Share. Therefore, there is no possibility of any odd lots.

Restriction on transfer of shares

Except for lock-in of the pre-Issue Equity Shares and Promoters minimum contribution in the Issue as detailed in the section “Capital Structure” on page no. 20 and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. For further details, see “Main Provisions of our Articles of Association” on page no. 243 of this Red Herring Prospectus.

Joint Holders

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

Compliance with SEBI (ICDR) Regulations, 2009

Our Company shall comply with all requirements of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, notified on August 26, 2009 as amended from time to time. Our Company shall comply with all disclosure norms as specified by SEBI from time to time.

Option to Receive Securities in Dematerialised Form

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

ISSUE STRUCTURE

Issue of 5,283,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating to ₹ [●]. The Issue will constitute 48.99 % of the post Issue paid up capital of our Company.

Our Company hereby confirms that the Issue size is atleast 25% of the Post Issue paid-up Capital

	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Not more than 2,641,500 Equity Shares	Not less than 792,450 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 1,849,050 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for allotment/allocation	Not more than 50% of the Issue Size being allocated. However, 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only.	Not less than 15% of Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 35% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate as follows: (a) 132,075 Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) 2,517,500 Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares so that the Bid Amount is less than ₹ 200,000 and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding the Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter
Trading Lot	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-	Eligible NRIs, Resident Indian individuals, HUFs (in	Resident Indian individuals, Eligible NRIs and HUFs (in the

	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, VCFs, FVCIs, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million in accordance with applicable law and National Investment Fund, Fund, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by Department of Posts, India.	the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	name of Karta).
Terms of Payment	100% of the payment amount shall be payable at the time of submission of Bid cum Application Form #	100% of the payment amount shall be payable at the time of submission of Bid cum Application Form #	100% of the payment amount shall be payable at the time of submission of Bid cum Application Form #

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 Bid cum Application Form. It is mandatory for all QIBs and Non-Institutional Bidders to participate in the Issue through the ASBA Process.

* The Issue is being made through the 100% Book Building Process wherein upto 50% of the Issue shall be allotted to QIBs on a proportionate basis subject to valid Bids received at a price above the Floor Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The balance of the QIB Portion shall be available for allocation on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them above the Floor Price. However, if the aggregate demand from Mutual Funds is less than 132,075 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the QIB Portion and allocated to the QIBs on proportionate basis. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders subject to valid Bids received at the Floor Price. Additionally, not less than 35% of the Issue will be available for allocation to Retail Individual Bidders subject to valid Bids being received at the Floor Price.

Subject to valid bids received at or above the Issue Price, under-subscription, if any, in any category, would be met with spill-over from other categories at sole discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the

demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Bid/Issue Opening Date including after the Bid / Issue Closing Date but before the Board meeting for Allotment. 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. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day of receipt of such notification. Our Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and (ii) the final RoC acknowledgement of the Prospectus after it is filed with the RoC.

Under the SEBI Guidelines, QIBs are not allowed to withdraw their Bids after the Bid/Issue Closing Date. If our Company does not receive minimum subscription of 90% of the Issue size, including devolvement of the members of the syndicate, our Company shall forthwith refund the entire subscription amount received. In case, our Company receives minimum subscription but wishes to withdraw the Issue after Issue Opening but before allotment, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the decision for withdrawal of the Issue, providing reasons for not proceeding with the Issue. Our Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

Bidding/Issue Programme

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

** Our Company, in consultation with the BRLM may decide to close the Bid/Issue Period for QIBs one Working day prior to the Bid/Issue Closing Date, subject to the SEBI ICDR Regulations.*

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Bid/ Issue Period as mentioned above at the bidding centres mentioned in the General Information Document accompanying the Bid cum Application Form or, in case of bids submitted through ASBA, the designated branches of the SCSBs. On the Bid/ Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. or such extended time as permitted by the Stock Exchanges, in case of Bids by QIB Bidders and Non- Institutional Bidders and (ii) until 5.00 p.m. or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders. 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 pm 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, which may lead to some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, our Company, BRLM and Syndicate Members will not be responsible. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

It is clarified that Bids not uploaded in the book, would be rejected. Bids will be accepted only on working days, i.e. Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded in the electronic system to be provided by the Stock Exchanges either by (i) a member of the Syndicate, in the event of a Bid submitted by an ASBA Bidder at any of the Syndicate ASBA Centres, or (ii) the SCSBs.

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.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI (ICDR) Regulations provided that the Cap Price is less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The 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 Working Days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding Period/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the web site of the BRLM and at the terminals of the Syndicate. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of ₹ 5,000 to ₹ 7,000.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that pursuant to the SEBI circular dated April 29, 2011, bearing no.CIR/CFD/DIL/1/2011, all non-Retail Individual Bidders i.e. QIBs and Non-Institutional Bidders are mandatorily required to submit their Bids by way of ASBA. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount or instruct the relevant SCSB to block the full Bid Amount along with the Bid cum Application Form.

Our Company and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated to QIBs on a proportionate basis. Out of the QIB Portion, 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to QIBs in proportion to their Bids. Subject to valid Bids received at or above the Issue Price, allocation to all categories, except Anchor Investor Portion, if any, shall be made on a proportionate basis. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

All Bidders are required to submit their Bids through the members of the Syndicate (including sub-syndicate members). ASBA Bidders are required to submit their Bids only to the SCSBs or in case of Syndicate ASBA to the members of the Syndicate (including sub-syndicate members).

In case of QIB Bidders, our Company in consultation with the BRLM may reject Bids at the time of acceptance of Bid cum Application Form provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the stock exchanges by the members of the Syndicate (including sub-syndicate members) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Please note that pursuant to the SEBI circular dated September 27, 2011, bearing no. CIR/CFD/DIL/4/2011, there would be only a single form for ASBA and Non-ASBA applicants which, accompanied with the abridged prospectus, shall be printed in a booklet form of A4 size paper. Copies of the said Bid cum Application Form will be available for all categories of Bidders with the members of the Syndicate, Designated Branches of the SCSBs and our Registered Office. In addition, Electronic ASBA Bid cum Application Forms will be available on the websites of the SCSBs and of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

Bidders shall only use the Bid cum Application Form bearing the stamp of a member of the Syndicate. Before being issued to Bidders, the Bid cum Application Form (except in relation to ASBA Bidders bidding electronically) shall be serially numbered and stamped. The members of the Syndicate (including sub-syndicate members) will acknowledge the receipt of the Bid cum Application Form or Revision Form by stamping the acknowledgment slip and returning it to the Bidder. This acknowledgment slip shall serve as a record for the Bidder and the Bidder shall preserve this and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue.

Additional provision for stamp of a member of the Syndicate/SCSB Branch shall be provided in the main application form. The stamping shall be done only after bid has been uploaded.

Electronic ASBA Bid cum Application Form can also be downloaded and printed from the websites of the Stock Exchanges.

ASBA Bidders can submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the Bid cum Application Form, which shall be stamped, at the relevant Designated Branch. The Bid cum Application Form in physical mode, which shall be stamped, can also be submitted to the members of the Syndicate (including sub-syndicate members) at Syndicate ASBA Centres. In case of application in electronic form, the ASBA Bidder shall submit the Bid cum Application Form either through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Bids. The SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form.

The Bid cum Application Form shall contain information about the Bidder and the price and number of Equity Shares that the Bidder wishes to Bid for. Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids.

On completion and submission of the Bid cum Application Form to the member of the Syndicate (including sub-syndicate member) or to a SCSB, as the case may be, the Bidder is deemed to have authorised our Company to make the necessary changes in the DRHP and the Bid cum Application Form as would be required under the ICDR Regulations and other applicable laws, for filing the Prospectus with the RoC and as would be required by SEBI and/ or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder. To supplement the foregoing, the mode and manner of Bidding is illustrated in the following chart.

To supplement the foregoing, the mode and manner of Bidding is illustrated in the following chart.

Category of Bidders	Mode of Bidding	Application form to be used for Bidding	To whom the application form has to be submitted
Retail Individual Bidders	Non – ASBA	Bid cum Application Form (as specified by SEBI in their circular dated September 27, 2011 bearing no. CIR/CFD/DIL/4/2011)	To the members of the Syndicate (including sub syndicate members) at the Bidding Centres.
	ASBA (Physical)	Bid cum Application Form (as specified by SEBI in their circular dated September 27, 2011 bearing no. CIR/CFD/DIL/4/2011)	To the members of the Syndicate (including sub syndicate members) only at Syndicate ASBA Centres; or to the Designated Branches of the SCSBs where the SCSB account is maintained
	ASBA (Electronic)	Electronic ASBA Bid cum Application form	To the SCSBs, electronically through internet banking facility, where the SCSB account is maintained

Non-Institutional Bidders	ASBA (Physical) (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	Bid cum Application Form (<i>as specified by SEBI in their circular dated September 27, 2011 bearing no. CIR/CFD/DIL/4/2011</i>)	To the members of the Syndicate (including sub syndicate members) only at Syndicate ASBA Centres; or to the Designated Branches of the SCSBs where the SCSB account is maintained
	ASBA (Electronic) (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	Electronic ASBA Bid cum Application form	To the SCSBs, electronically through internet banking facility, where the SCSB account is maintained
QIBs	ASBA (Physical) (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	Bid cum Application Form (<i>as specified by SEBI in their circular dated September 27, 2011 bearing no. CIR/CFD/DIL/4/2011</i>)	To the members of the Syndicate (including sub syndicate members) only at Syndicate ASBA Centres; or to the Designated Branches of the SCSBs where the SCSB account is maintained
	ASBA (Electronic) (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	Electronic ASBA Bid cum Application form	To the SCSBs, electronically through internet banking facility, where the SCSB account is maintained

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, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB portion) or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue

* Excluding electronic ASBA Bid cum Application Forms.

Who can Bid?

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in the equity shares;
- Indian Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue;
- Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI (ICDR) Regulations and regulations, as applicable);
- FIIs and sub-accounts (other than a sub-account which is a foreign corporate or foreign individual under the QIB category) registered with SEBI;

- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidders category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts/societies and who are authorised under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India;
- Insurance funds set up and managed by Department of Posts, India; and
- Limited Liability partnerships.
- Any other person eligible to Bid in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing policy of the Government of India, 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 Members

The BRLM and Syndicate Members shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis.

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 132,075 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. In case of Bids made pursuant to a power of attorney by FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

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 company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made.

Bids by Eligible NRIs

Bid cum Application Forms have been made available for Eligible NRIs at our Registered Office and with members of the Syndicate.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in Indian Rupees or freely convertible foreign exchange shall be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their Non-Resident External (“NRE”) or Foreign Currency Non-Resident (“FCNR”) accounts, maintained with banks authorized by the RBI to deal in foreign exchange. The Eligible NRIs bidding on a repatriation basis should use the Bid cum Application Form which is Blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be, while Eligible NRIs applying on a non-repatriation basis should use the Bid cum Application Form which is White in colour. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for Resident Indians.

Bids by Eligible NRIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 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 post-Issue issued capital (i.e. 10% of 10,783,000 Equity Shares) of our Company. In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. As of now, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of our company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the SEBI FII Regulations, an FII, as defined in the SEBI FII Regulations, or its sub-account may issue, deal or hold, offshore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by an FII against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with “know your client” norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the BRLM and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended *inter alia* prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Bids by Qualified Foreign Investors

Under the extant Indian laws, the individual and aggregate investment limits for QFIs are 5% and 10% respectively of the paid up capital of Indian company. These limits are over and above the FII and NRI investment ceilings prescribed under the PIS route for foreign investment in India.

Bids by QFIs (who are individuals) for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation. Bids by QFIs (who are individuals) for a Bid Amount of above ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation and such Bidders should use the ASBA facility to submit their Bids.

Bids by QFIs (other than who are individuals) can Bid only for a Bid Amount of more than ₹ 200,000 and their Bids would be considered under Non-Institutional Portion for the purposes of allocation and such Bidders should use the ASBA facility to submit their Bids.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only at the rate of exchange prevailing at the time of remittance and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE Accounts, details of which should be furnished in the space provided for this purpose in the Application-Cum-Bidding Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the Insurance Regulatory Development Authority (“IRDA”), a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “**IRDA Investment Regulations**”), are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
- (c) the industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of ULIPS).

Further, with effect from August 1, 2008, no investment may be made in an IPO if the issue size, including offer for sale, is less than ₹ 2,000 million. In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, with effect from December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. In case of an IPO of a wholly owned subsidiary of a corporate or public sector enterprise, the above track record would be applied to the holding company. This limit of 20% would be combined for debt and equity taken together, without sub-ceilings. Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Bids by Banking Companies

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30% of the paid-up share capital of the investee company or 30% of the banks' own paid-up share capital and reserves, whichever is less (except in case of certain specified exceptions, such as setting up or investing in a subsidiary company, which requires RBI approval). Additionally, any investment by a bank in the Equity Shares must be approved by such bank's investment committee set up to ensure compliance with the applicable prudential norms for classification, valuation and operation of investment portfolio of banks (currently reflected in the RBI Master Circular of July 1, 2011). **Banking companies can participate in the Issue only through the ASBA process.**

Bids by Provident Funds/ Pension Funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Maximum and Minimum Bid Size

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 200,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Price does not exceed ₹ 200,000. In case the Bid Price is over ₹ 200,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares in multiples of [●] such that the Bid Amount exceeds ₹ 200,000. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **Under existing SEBI (ICDR) Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the Bid Amount upon submission of Bid. QIBs and Non-Institutional Bidders are mandatorily required to submit their Bid through the ASBA process.** Our Company may close Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date. Accordingly, a QIB investor will not be allowed to withdraw their Bids after the Bid/issue Closing Date or one Working Day prior to the Bid/Issue Closing Date as may be applicable.

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹ 200,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to ₹ 200,000 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'.

Information for the Bidders:

1. Our Company and BRLM shall declare the Bid/Issue Opening Date and 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 national daily and Hindi national daily) and in one regional language newspaper with wide circulation. This advertisement shall be in the prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.
3. Copies of the Bid cum Application Form and copies of the Red Herring Prospectus will be available with the Syndicate. The SCSBs shall ensure that the abridged prospectus is made available on their websites. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form from the websites of the SCSBs and the Stock Exchanges.
4. Any Bidder (who is eligible to invest in the Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form can obtain the same from the Registered Office.
5. Eligible Bidders who are interested in subscribing for the Equity Shares should approach the Lead Manager or Syndicate Members or their authorised agent(s) to register their Bids. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids, except for Syndicate ASBA Bidders who should approach the Syndicate in order to register their Bids.
6. QIBs and Non Institutional Bidders can participate in the Issue only through the ASBA process. Retail Individual Bidders have the option to Bid through the ASBA process or the Non ASBA process. Bids by ASBA bidders shall be accepted by the SCSBs in accordance with the SEBI Regulations and any circulars issued by SEBI in this regard. Bidders applying through the ASBA process also have an option to (i) submit the Bid cum Application Form in electronic form; or (ii) submit Bids through the Syndicate.
7. Bids should be submitted on the Bid cum Application Form only. The Bid cum Application Forms which are submitted to the members of the Syndicate should bear the stamp of the Syndicate, otherwise they will be rejected. Bids by Syndicate ASBA Bidders shall be accepted by the Syndicate who shall in turn forward the same to the SCSBs, in accordance with the SEBI (ICDR) Regulations and any circulars issued by SEBI in this regard. Bids by ASBA Bidders apart from Syndicate ASBA Bidders shall be accepted by the Designated Branches of the SCSBs in accordance with the SEBI (ICDR) Regulations and any circulars issued by SEBI in this regard.
8. The Company shall ensure that adequate copies of the Red Herring Prospectus and the Bid cum Application Form are made available to the SCSBs and the Syndicate at the Syndicate ASBA Centres. The SCSBs and Syndicate, at Syndicate ASBA Centres, will make such copies available to investors applying under the ASBA process. Additionally, our Company shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the Bid cum Application Form. The SCSBs shall make such documents available on their websites. The Electronic ASBA Bid cum Application Form shall also be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. The Lead Managers shall ensure that certain information, including a soft copy of the abridged prospectus, is provided to the Stock Exchanges at least two days prior to the Bid/Issue Opening Date to enable the Stock Exchanges to include such information in the Electronic ASBA Bid cum Application Form before it is made available on their websites.
9. ASBA Bidders shall correctly mention the bank account number in the Bid cum Application Form and ensure that funds equal to the Payment Amount are available in the bank account maintained with the SCSB. In case the amount available in the bank account specified in the Bid cum Application Form is insufficient for blocking the amount equivalent to the Payment Amount, the SCSB shall reject the Bid. In the event a Bid is submitted to a member of the Syndicate and upon sending a request to the relevant SCSB, such SCSB is not able to block the Payment Amount due to insufficiency of funds, our Company has the right to reject such Bids.
10. If the ASBA Account holder is different from the ASBA Bidder, the Bid cum Application Form should be signed by the account holder as provided in the Bid cum Application Form.
11. 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 Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account.
12. The Bid cum Application Form can be submitted (i) in physical mode, to a member of the Syndicate; or (ii) either in physical or electronic mode, to the SCSBs with whom the ASBA account is maintained. Bid cum

Application form in electronic mode can be submitted only to the SCSBs with whom the ASBA account is maintained and not to the members of the Syndicate. SCSBs may provide the electronic mode of Bidding either through an internet enabled Bidding and banking facility or such other secured, electronically enabled mechanism for Bidding and blocking funds in the ASBA Account. Eligible ASBA Bidders may also approach the Designated Branches and Syndicate ASBA member to register their Bids through the ASBA process.

13. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate. ASBA Bidders should also ensure that Bid cum Application Forms submitted to the members of the Syndicate will not be accepted if the SCSB where the ASBA account, as specified in the Bid cum Application Form, is maintained has not named atleast one branch at that location for the members of the Syndicate to deposit Bid cum Application form from ASBA Bidders (a list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-ASBA.html>). ASBA Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA account is maintained.
14. For ASBA Bids submitted to the members of the Syndicate, the members of the Syndicate shall upload the ASBA Bid onto the electronic bidding system of the Stock Exchanges and deposit the Bid cum Application Form with the relevant branch of the SCSB, named by such SCSB to accept such Bid cum Application Forms from the members of the Syndicate (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-asba.html>). The relevant branch of the SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form. For ASBA Bids submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form, before entering the ASBA Bid into the electronic bidding system.
15. Except for Bids by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her 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. With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified will be “suspended for credit” by the Depositories, and no credit of Equity Shares pursuant to the Offer will be made in the accounts of such Bidders.
16. The Price Band has been fixed at a minimum price of ₹ [●] (Floor Price) and the maximum price of ₹ [●] (Cap Price) per Equity Share. The Bidders can Bid at any price within the price Band, in multiples of [●] Equity Shares.

Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members do not match with PAN, the DP ID and Client ID available in the depository database, the Bid cum Application form is liable to be rejected. With effect from August 16, 2010, the demat accounts for Bidders for which PAN details have not been verified, except for persons resident in the state of Sikkim, who, may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended credit” and no credit of Equity Shares pursuant to the Issue shall be made into accounts of such Bidders.

Method and Process of Bidding

1. Our Company, in consultation with the BRLM, will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in two national newspapers (one each in English and Hindi) and in one regional language newspaper with wide circulation at least two Working Days prior to the Bid/Issue Opening Date. The members of the Syndicate and the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period.
2. 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 regional language 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.

3. During the Bid/Issue Period, Bidders, other than QIBs, who are interested in subscribing for the Equity Shares should approach the Syndicate or their authorised agents to register their Bids. The Syndicate shall accept Bids from all Bidders and have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids.
4. 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 “Bids at Different Price Levels” on page no. 217 of this DRHP) 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.
5. The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate or the SCSBs. Submission of a second Bid cum Application Form 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 “Build up of the Book and Revision of Bids” on page no. 219 of this DRHP.
6. The members of the Syndicate/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
7. Bids by QIBs under the QIB Portion shall not be considered as multiple Bids.
8. Along with the Bid cum Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described in the section “Issue Procedure - Escrow Mechanism, terms of payment and payment into the Escrow Accounts” on page no. 218 of this DRHP.
9. Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSBs shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form/Electronic ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.
10. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSBs shall reject such Bids and shall not upload such Bids with the Stock Exchanges.
11. If sufficient funds are available in the ASBA Account, the SCSBs shall block an amount equivalent to the Bid Amount mentioned in the 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.
12. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar shall send an appropriate request to the SCSBs for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar.

INVESTORS ARE ADVISED NOT TO SUBMIT THE BID CUM APPLICATION FORMS TO THE ESCROW COLLECTION BANKS. BIDS SUBMITTED TO THE ESCROW COLLECTION BANKS SHALL BE REJECTED AND SUCH BIDDERS SHALL NOT BE ENTITLED TO ANY COMPENSATION ON ACCOUNT OF SUCH REJECTION.

Bids at Different Price Levels and Revision of Bids

1. Our Company, in consultation with the BRLM and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side *i.e.* the floor price can move up or down to the extent of 20% of the floor price disclosed at least two Working Days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.
2. 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.
3. 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.
4. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders, shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the members of the Syndicate. In case of ASBA Bidders (other than Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
5. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at the Cut-off Price, such Retail Individual Bidders will receive refunds of the excess amounts in the manner provided in the Draft Red Herring Prospectus.
6. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the higher end of the Revised Price Band (such that the total amount *i.e.*, original Bid Price plus additional payment does not exceed ₹ 200,000 for Retail Individual Bidders, 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 Price plus additional payment) exceeds ₹ 200,000 for Retail Individual Bidders the Bid will be considered for allocation under the Non- Institutional Portion in terms of this Draft 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 higher end of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and such Bidder is deemed to have approved such revised Bid at Cut-off Price.
7. 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 or unblocked by the SCSBs.
8. In the event of any revision in the Price Band, whether upwards or downwards, our Company in consultation with the BRLM shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application is in the range of ₹ 5,000 to ₹ 7,000.
9. During the Bidding/ Issue Period, any bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.
10. Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. The Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form

and he is changing only one of the options in the Revision Form, he must complete all the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.

11. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Draft Red Herring Prospectus.
12. When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of revision of the original bid.**

ESCROW MECHANISM, TERMS OF PAYMENT AND PAYMENT INTO THE ESCROW ACCOUNTS

For details of the escrow mechanism and payment instructions, see section titled “Issue Procedure – Payment Instructions” on page no. 228 of this DRHP.

ELECTRONIC REGISTRATION OF BIDS

1. The members of the Syndicate and the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Bids are being accepted. The BRLM, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the Syndicate Members and the SCSBs, (ii) the Bids uploaded by the Syndicate Members and the SCSBs, (iii) the Bids accepted but not uploaded by the Syndicate Members and the SCSBs or (iv) with respect to ASBA Bids, Bids accepted and uploaded without blocking funds in the ASBA Accounts. However, the members of the Syndicate and/or the SCSBs shall be responsible for any error in the Bid details uploaded by them. It shall be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.
2. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the SCSBs, (ii) the Bids uploaded by the SCSBs, (iii) the Bids accepted but not uploaded by the SCSBs and (iv) with respect to Bids by ASBA Bidders, Bids accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Bids uploaded by the SCSBs, the full Bid Amount has been blocked in the relevant ASBA Account.
3. The Syndicate and the SCSBs will undertake modification of selected fields in the Bid details already uploaded within one Working Day from the Bid/Issue Closing Date.
4. The Stock Exchanges will offer an electronic facility for registering Bids for the Issue. This facility will be available with the Syndicate and their authorised agents and the SCSBs during the Bidding/ Issue Period. The Syndicate Members and the Designated Branches can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis. On the Bid/ Issue Closing Date, the members of the Syndicate and the Designated Branches shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis.
5. Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges would be made available at the bidding centres during the Bid/Issue Period.
6. At the time of registering each Bid and each ASBA bid submitted by a Syndicate ASBA bidder, the Syndicate and the Designated Branches shall enter the following details of the investor in the on-line system, as applicable:
 - Name of the Bidder
 - IPO Name
 - Bid Cum Application Form number

- Investor Category;
- PAN (of First Bidder, if more than one Bidder);
- DP ID of the demat account of the Bidder;
- Client Identification Number of the demat account of the Bidder;
- Numbers of Equity Shares Bid for;
- Price option; and
- Cheque Details in case of Bids other than ASBA Bid and Bank Account details in case of ASBA Bidders.

In case of submission of the Bid by an ASBA Bidder through the Electronic Mode, the ASBA Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid cum Application Form number which shall be system generated.

7. A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate. The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated/allotted either by the members of the Syndicate or our Company.
8. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Bidders, only the BRLM and their affiliate members of the Syndicate has the right to accept the Bid or reject it. However, such rejection should be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case on Non-Institutional Bidders and Retail Individual Bidders, Bids would be rejected on the technical grounds. The members of the Syndicate may also reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect. The SCSBs shall have no right to reject Bids, except on technical grounds.
10. The permission given by BSE and NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme 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 Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE and NSE.
11. Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. Members of the Syndicate will be given up to one day after the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Bid/Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic bid details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Beneficiary Account Number and PAN, then such bids are liable to be rejected.
12. The members of the Syndicate located at the Syndicate ASBA Centres shall, before accepting the Bid cum Application Forms for ASBA Bidders, satisfy themselves that the SCSBs whose name has been filled in the Bid cum Application Forms, has named a branch in that centre to accept the Bid cum Application Forms.

BUILD UP OF THE BOOK AND REVISION OF BIDS

1. 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;
2. The book gets built up at various price levels. This information will be available with the BRLM on a regular basis at the end of the Bid/Issue Period.
3. During the Bid/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

4. 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 of the SCSBs will not accept incomplete or inaccurate Revision Forms.
5. The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the SCSBs 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.
6. QIB Bidders shall not be allowed to withdraw their bids after the closure of the Issue.
7. Any revision of the ASBA Bid shall be accompanied by instructions to block the revised Payment Amount, if any, on account of the upward revision of the ASBA Bid. The Revision form and upward revision of the ASBA Bid at the time of one or more revisions will be provided to the same member of the Syndicate or the same Designated Branch, as the case may be, through whom such ASBA Bidder had placed the original ASBA Bid. In such cases, the member of the Syndicate or the Designated Branch, as the case may be, will revise the earlier ASBA Bid details with the revised ASBA Bid.

With respect to the Bids, other than ASBA Bids, any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the additional amount, if any, to be paid on account of the upward revision of the Bid. In case of Bids, other than ASBA Bids, the members of the Syndicate shall collect the additional payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases, the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book.

The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.

8. 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 SCSBs, 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

1. After the Bid/Issue Closing Date, the BRLM shall analyze the demand generated at various price levels and discuss pricing strategy with our company.
2. Our Company, in consultation with the BRLM shall finalize the Issue Price, the number of Equity Shares to be allotted in each investor's category.
3. The allocation to Non-Institutional Bidders and Retail Individual Bidders would be on proportionate basis, in the manner specified in the SEBI (ICDR) Regulations, 2009, the DRHP and Prospectus in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.
4. In case of over-subscription in all categories, not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIB Bidders out of which 5% shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% share in the QIB portion will also be eligible for allocation in the remaining QIB portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allotted proportionately to the QIB Bidders in proportion to their bids. Further, not less than 15% of the issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the issue shall be available for allocation on a proportionate

basis to Retail Individual Bidders, subject to valid Bids received at or above the Issue Price.

5. Under subscription, if any, in any categories would be allowed to be met with spill over from any of the other categories at the sole discretion of our Company and the BRLM. However, if the aggregate demand by Mutual Funds is less than 2,27,200 Equity Shares, the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders in proportion to their Bids.
6. Allocation to NRI's, FIIs, Foreign Venture Capital Funds registered with SEBI applying on repatriation basis will be subject to the terms and conditions stipulated by the FIPB and RBI while granting permission for Issue/Allocation of Equity Shares to them.
7. Our Company reserves the right to cancel the Issue any time after the Bid Opening Date, but before the Allotment. QIB Bidders Bidding in the QIB Portion shall not be allowed to withdraw their Bid after the Bid Closing Date. If our Company withdraws the Issue, it shall issue a public notice that shall include reasons for such withdrawal within two days of the Bid Closing Date. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall 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 Equity Shares, it shall file a fresh draft red herring prospectus with the SEBI.
8. Our Company in consultation with the BRLM, reserves the right to reject any Bid procured from QIB Bidders, by any or all members of the Syndicate. Rejection of Bids by QIBs Bidding in the QIB Portion, if any, will be made at the time of submission of Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. Our Company, in consultation with BRLM, reserves the right to reject any Bid received from Anchor Investors without assigning any reason thereof.
9. If an ASBA Bidder (other than QIB Bidder) wants to withdraw the Bid cum Application Form during the Bidding Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall perform the necessary actions, including deletion of details of the withdrawn Bid cum Application Form from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account.

If an ASBA Bidder (other than QIB Bidder) wants to withdraw the Bid cum vApplication Form after the Bid/Issue Closing Date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB once the basis of Allotment has been approved by the Designated Stock Exchange.
10. The allotment details shall be uploaded on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND ROC FILING

1. Our Company, the BRLM, and the Syndicate Members shall enter into an Underwriting Agreement on or immediately after finalization of the Issue Price and allocation(s) to the Bidders.
2. After signing the Underwriting Agreement, our Company will update and file the updated DRHP with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue Size, underwriting arrangements and would be complete in all material respects.

Filing of the Prospectus with the RoC

Our Company will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

ANNOUNCEMENT OF PRE-ISSUE ADVERTISEMENT

Subject to Section 66 of the Companies Act, our Company shall after receiving final observations, if any, on the Draft Red Herring Prospectus from SEBI, publish an advertisement, in the form prescribed by the SEBI (ICDR)

Regulations in two widely circulated newspapers (one each in English and Hindi) and a Regional newspaper 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. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”)

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.
3. The Issuance of CAN is ‘Subject to “Allotment Reconciliation and Revised CANs” as set forth under the section “Issue Procedure” on page no. 207 of this DRHP:

Notice to QIBs: Allotment Reconciliation and Revised CANs

QIBs bidding in the QIB Portion will be sent a CAN, indicating the number of Equity Shares that may be allocated to them after the final Basis of Allotment, as approved by the Designated Stock Exchange and reflected in the reconciled physical book prepared by the Registrar to the Issue. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Unblocking of ASBA Account

Once the basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose, within the timelines specified in the ASBA facility: (i) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in (ii) above shall be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn and/or unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and shall unblock the excess amount, if any, in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of notification from the Registrar to the Issue by the Controlling Branch of the SCSB in relation to the approval of the basis of Allotment in the Issue by the Designated Stock Exchange in the event of withdrawal or failure of the Issue or rejection of the ASBA Bid, as the case may be.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

1. Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Bidder’s depository account will be completed within 12 Working Days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, our Company will ensure the credit to the successful Bidder’s depository account is completed within two Working Days from the date of Allotment.
2. In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

3. Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply;
2. Ensure that you have Bid within the Price Band;
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3. Read all the instructions carefully and complete the Bid cum Application Form;
4. Ensure that the details about Depository Participant and the beneficiary account are correct and the Bidder's depository account is active as Allotment of Equity Shares will be in the dematerialised form only;
5. Ensure that the bank account details are entered only in the space provided specifically for this purpose. Bids submitted which do not have the bank details are liable to be rejected.
6. Ensure that the Bids including Bids by Syndicate ASBA Bidders are submitted at the bidding centres or Syndicate ASBA Centres, as applicable, only on forms bearing the stamp of a member of the Syndicate or with respect to ASBA Bidders except the Bids submitted by the Syndicate ASBA Bidders, ensure that your Bid is submitted at a Designated Branch of the SCSBs where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for Bidding has a bank account;
7. With respect to ASBA Bids ensure that the 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 Bid cum Application Form;
8. QIBs and Non Institutional Bidders should submit their Bids through the ASBA process only.
9. Ensure that you request for and receive a TRS for all your Bid options;
10. Ensure that full Bid Amount is paid for the Bids submitted to the members of the Syndicate (except the Bids by the Syndicate ASBA Bidders) and funds equivalent to Bid Amount are blocked in case of Bids submitted through SCSBs or to the member of the Syndicate (including sub-syndicate members) in case of Bids by Syndicate ASBA Bidders;
11. Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSBs before submitting the Bid cum Application Form to the respective Designated Branch of the SCSBs or to the member of the Syndicate (including sub-syndicate members), as the case may be;
12. Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
13. Submit revised Bids to the same member of the Syndicate/SCSB through whom the original Bid was placed and obtain a revised TRS;
14. Except for Bids submitted on behalf of the Central Government or the State Government or officials appointed by a court and Bidders resident in the state of Sikkim who may be exempt from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. In case of Bids submitted on behalf of the Central Government or the State Government or officials appointed by a court, such Bidders shall provide sufficient documentary evidence in support of the fact that such Bids have been submitted on behalf of the Central Government or the State Government or officials appointed by a court. Residents of Sikkim shall provide sufficient documentary evidence in support of their address as provided in the SEBI MRD circular MRD/DOP/DEP/CIR-29/2004 dated August 24, 2004. The exemption for the Central or State Government and officials appointed by the courts and for investors

residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

15. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
16. 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.
17. Ensure that DP ID, the client identification number and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or Designated Branches of the SCSBs, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database. The Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or the Designated Branches of the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected.
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
19. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the relevant SCSB and/or the Designated Branch and/or the Syndicate Member (except in case of electronic forms);
20. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at-least one branch for the members of the Syndicate to deposit Bid cum Application Forms (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-asba.html>);
21. In addition, ASBA Bidders should ensure that:
 - 21.1 the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder;
 - 21.2 the correct bank account numbers have been mentioned in the Bid cum Application Form;
 - 21.3 the authorization box in the Bid cum Application Form has been correctly checked, or an authorization to the SCSB through the electronic mode has been otherwise provided, for the Designated Branch to block funds equivalent to the Payment Amount mentioned in the Bid cum Application Form in the ASBA Account maintained with a branch of the concerned SCSB; and
 - 21.4 an acknowledgement from the Designated Branch of the concerned SCSB or from members of Syndicate in case of ASBA Syndicate Bidders for the submission of the Bid cum Application Form has been obtained.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/ revise Bid price to less than the lower end of the Price Band or higher than the higher end of the Price Band;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate, Syndicate ASBA or the SCSBs, as applicable;

4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
5. Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate, Syndicate ASBA or the SCSBs, as applicable;
6. Do not Bid *via* any mode other than ASBA (for QIBs, Non-Institutional Bidders)
7. Do not submit more than five Bid cum Application Forms per ASBA Account for the Issue;
8. Do not Bid at Cut Off Price (for QIB Bidders or Non-Institutional Bidders);
9. Do not Bid for a Payment Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
11. Do not submit the incorrect PAN, Depository Participant Identification Number or Client Identification number details, provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue, or submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground;
12. Do not submit the Bids without the full Bid Amount.
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms, or on Bid cum application Forms in a color prescribed for another category of Bidder;
14. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
15. Do not submit more than five Bid cum Application Forms per ASBA Account;
16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and
17. Do not submit a Bid that does not comply with the securities laws of your respective jurisdictions
18. Do not submit ASBA Bids to a Syndicate Member in the Specified Cities unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at-least one branch in the relevant Specified City, for the Syndicate Members to deposit Bid cum Application Forms (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-asba.html>).

Instructions for Completing the Bid cum Application Form

Bidders can obtain the Bid cum Application Forms (accompanied with abridged prospectus) and/or Revision Forms from the members of the Syndicate (including sub-syndicate members) and Designated Branches of the SCSBs. The same shall also be available in electronic form at the website of the respective stock exchanges at www.bseindia.com and www.nseindia.com.

1. Bids must be made in the Bid cum Application Form or Revision Form, as applicable, except for Electronic ASBA application which shall be made in the Electronic form provided by the Respective Bank.
2. Bids must be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained overleaf of the Application Form and/or Revision form and in the General Information Document provided therein, in the Bid cum Application Form Booklet. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders should note that the members of the Syndicate (including sub-syndicate members) and / or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.
3. Information provided by the Bidders will be uploaded in the online IPO system by the members of the

Syndicate (including sub-syndicate members) and the SCSBs, as the case may be, and the electronic data will be used to make allocation/Allotment. Please ensure that the details are correct and legible.

4. For Retail Individual Bidders, the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of ₹ 200,000.
5. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares in multiples of [●], that the Bid Amount exceeds ₹ 200,000. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations. Bids must be submitted through ASBA process only.
6. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
7. In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
8. 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, a Notary Public or a Special Executive Magistrate under official seal.

Bidder's PAN, Depository Account and Bank Details

Bidders should note that on the basis of PAN of the Bidders, DP ID and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar will obtain from the Depository the demographic details including category, age, 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 allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) to the Bidders or unblocking of ASBA Account. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders or unblocking of ASBA Account at the Bidders sole risk and neither the BRLM or the Registrar or the Escrow Collection Banks or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN THE DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT'S IDENTIFICATION NUMBER, PERMANENT ACCOUNT NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

Bidders may note that in case the DP ID, Beneficiary Account Number and PAN mentioned in the Bid cum Application Form, as the case may be and entered into the electronic bidding system of the stock exchanges by the members of the Syndicate do not match with the DP ID, Beneficiary Account Number and PAN available in the Depository database, the application Bid cum Application Form, as the case may be is liable to be rejected.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/CANs/allocation advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Refund Orders/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 case of refunds through electronic modes as detailed in this Draft Red Herring Prospectus, refunds may be delayed if bank particulars obtained from the Depository are incorrect. In such an event, the address and other details given by the Bidder (other than ASBA Bidders) in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Bidders sole risk and neither our Company, the Escrow Collection Banks nor the BRLM nor the Registrar 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 two parameters, namely, PAN of the Bidder and DP ID/ Client ID, then such Bids are liable to be rejected.

Bids by Non-Residents including Eligible NRIs, FIIs and Foreign Venture Capital Funds on a repatriation basis

Bids and revision to Bids must be 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 overleaf.
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 persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Bids by Eligible NRIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 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 Bidders 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, provident funds with minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 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 Articles of Association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

In case of Bids made pursuant to a power of attorney by FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority (IRDA), in addition to the above, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.

In case of Bids made by provident funds with minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form.

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.

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.

Our Company in their absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice 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.

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 (other than ASBA 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 Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank(s) for and on behalf of the Bidders shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds 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 Public Issue Account Bank [●]. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, and the members of the Syndicate, the Escrow Collection Bank(s) 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 Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid Amount in the bank account specified in the Bid cum Application Form. The SCSBs shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar shall give instructions to the SCSBs 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.

In case of Bids by FIIs, a special Rupee Account should be mentioned in the Bid cum Application Form, for blocking of funds, along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that this Draft has been issued by debiting the “Special Rupee Account”.

Payments into Escrow Accounts for Bidders other than ASBA Bidders

Each Bidder other than ASBA Bidder shall draw a cheque or demand draft or, remit the funds electronically through the RTGS mechanism for the Bid Amount payable on the Bid and/or on allocation/Allotment as per the following terms:

1. All Bidders other than ASBA Bidders would be required to pay the full Bid Amount at the time of the submission of the Bid cum Application Form.
2. The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate. If the payment is not made favouring the Escrow Account along with the Bid cum Application Form, the Bid of the Bidder shall be rejected. **Bid cum Application Forms accompanied by cash/stockinvest/money orders/postal orders will not be accepted.**
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - In case of Resident Bidders: “FTC – Escrow Account - R”
 - In case of Non-Resident Bidders: “FTC – Escrow Account - NR”
4. In case of Bids by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
5. In the case of Bids by Eligible NRIs applying on a non-repatriation basis, the payments must be made by Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application, remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or a FCNR or an NRO Account.
6. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account of our Company.
7. The monies deposited in the Escrow Accounts will be held for the benefit of the Bidders until the Designated Date.
8. On the Designated Date, the Escrow Collection Bank shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Public Issue Account Bank [●]
9. On the Designated Date and no later than 12 working days from the Bid/Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

10. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ Stockinvest/ Money Orders/ Postal orders will not be accepted. Payments made through cheques drawn on banks not participating in the local Magnetic Ink Character Recognition ("MICR") clearing will be rejected.
11. Bidders are advised to mention the number of Bid cum Application Form on the reverse of the cheque / demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

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 (including sub-syndicate members) at the time of submission of the Bid. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the Bid cum Application Form or the Revision Form at the Designated Branch of the SCSB or to the members of the Syndicate (including sub-syndicate member) at Syndicate ASBA centres. In case of application in electronic form, the ASBA Bidder shall submit the Electronic ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB and accordingly registering such Bids.

Separate receipts shall not be issued for the money payable on the submission of Bid cum Application Forms or Revision Forms. However, the collection centre of the members of the Syndicate or the SCSB will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder (ASBA & Non-ASBA) 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, signature of only the first bidder would be required on the Bid cum Application form. As per the SEBI circular dated September 27, 2011, bearing serial no. CIR/CFD/DIL/4/2011, first bidder would be deemed to have signed on behalf of joint holders and would give requisite confirmation(s) to that effect. Also, 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 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.

After submitting an ASBA Bid using the Bid cum Application Form for physical bid or Electronic ASBA Bid cum Application form for electronic mode, where such ASBA Bid has been submitted to the SCSBs or the members of the Syndicate (including sub-syndicate members) and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, whether on another Bid cum Application Form, to either the same or another Designated Branch of the SCSB or the members of the Syndicate (including sub-syndicate members). Submission of a second Bid in such manner will be deemed a multiple Bid and would 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 the Equity Shares in the Issue. However, ASBA Bidders may revise their Bids

through the Revision Form, the procedure for which is described in “– Build up of the Book and Revision of Bids” on page no. 219 of this Draft Red Herring Prospectus.

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Bid cum Application Forms with respect to any single ASBA Account.

Duplicate copies of 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, in consultation with the BRLM, reserves the right to reject, in its absolute discretion, all or all except one of such multiple Bids in any or all categories. The procedures which would be followed by the Registrar to detect multiple applications are given below:

1. All Bids will be checked for common PAN as per the records of Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN will be treated as multiple Bids and will be rejected.
2. The Bids from Mutual Funds and FII sub-accounts, which were submitted under the same PAN, as well as Bids on behalf of the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, for whom the submission of PAN is not mandatory, the Bids will be scrutinised for DP ID and Beneficiary Account Numbers. In case such Bids bear the same DP ID and Beneficiary Account Numbers, these were treated as multiple Bids and were rejected.

Our Company reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number or PAN

Except for Bids by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/ her PAN allotted under the I.T. Act. SEBI had issued a circular directing that with effect from July 2, 2007, PAN would be the sole identifiable number for participants transacting in the securities market, irrespective of the amount of transaction. Pursuant to Item XII(B)(17)(c) of Schedule VIII of the ICDR Regulations, it has been stipulated that all applicants are required to disclose their PAN allotted under the I.T. Act in the Bid cum Application Form, irrespective of the amount of the Bid. Applications in which PAN so allotted is not mentioned would be rejected.

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.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants’ verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Bids, the Registrar will check under the Depository records for the appropriate description under the PAN field *i.e.* either Sikkim category or exempt category.

With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified have been labeled “suspended for credit” by the Depositories and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Bidders.

Withdrawal of ASBA Bids

ASBA Bidders can withdraw their Bids during the Issue Period by submitting a request for the same to the SCSBs who shall do the requisite, including deletion of details of the withdrawn Bid cum Application Form from the electronic bidding system of the Stock Exchanges and unblocking of the funds in the ASBA Account.

In case an ASBA Bidder (other than a QIB) wishes to withdraw the Bid after the Bid/Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of

Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file and give instruction to the SCSB for unblocking the ASBA Account after approval of the “Basis of Allotment”.

Rejection of Bids

Our Company has the right to reject Bids based on technical grounds. In case of QIB Bidders, our Company in consultation with the BRLM may reject Bids at the time of acceptance of the Bid provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders who Bid, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made by RTGS/NEFT/NES/Direct Credit/cheque or pay order or draft and will be sent to the Bidder’s address at the Bidder’s risk. With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder’s bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder’s bank account maintained with the SCSBs. Subsequent to the acceptance of the ASBA Bid by the SCSBs, 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 of the SCSBs. Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

1. DP ID and Client ID not mentioned in the Bid cum Application Form;
2. Amount paid or offered to be blocked (in case of ASBA Bidders) does not tally with the amount payable for the highest value of Equity Shares bid for;
3. Bids through the non-ASBA process submitted by Retail Individual Bidders wherein the Payment Amount exceeds ₹ 200,000 upon revision of Bids;
4. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply, however limited liability partnerships can apply in their own names;
5. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors (except through their natural / legal guardians), insane persons;
6. PAN not mentioned in the Bid cum Application Form except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, or where PAN details in the Bid cum Application Form are not as per the data in the demat accounts;
7. GIR number furnished instead of PAN;
8. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
9. Bids at a price less than lower end of the Price Band;
10. Bids at a price more than the higher end of the Price Band;
11. Submission of more than five Bid cum Application Forms per ASBA Account;
12. Bids by Bidders whose demat accounts have been “suspended for credit” pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
13. Bids by Non-Institutional and QIB Bidders other than through ASBA;
14. Bids at Cut Off Price by Non-Institutional and QIB Bidders;
15. Bids for number of Equity Shares which are not in multiples of [●];
16. Category not ticked or Bids by any applicant under the wrong category of the application form;

17. Multiple Bids as defined in this Draft Red Herring Prospectus;
18. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
19. Bids accompanied by Stockinvest/ money order/ postal order/ cash;
20. Signature of Sole / First Bidders missing;
21. Bid cum Application Forms does not have the stamp of the BRLM, or Syndicate Members or SCSB;
22. Bid cum Application Forms does not have Bidder's depository account details;
23. Bid cum Application Forms not being signed by the ASBA account holder, if the account holder is different from the ASBA Bidder;
24. Bid cum Application Form submitted to the members of the Syndicate does not bear the stamp of the members of the Syndicate. Bid cum Application Forms submitted directly to the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the members of the Syndicate, as the case may be;
25. Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
26. In case no corresponding record is available with the Depositories that matches three parameters namely, the Depository Participant's identity, the Client ID and the PAN;
27. With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
28. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
29. Bids where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
30. Authorisation for blocking funds in the ASBA Account not ticked or provided;
31. Bids by QIBs and Non Institutional Bidders not submitted at the Syndicate ASBA Centres or the SCSBs;
32. Bids by OCBs;
33. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
34. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
35. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority; and
36. Bids not uploaded on the terminals of the Stock Exchanges.
37. Bids by QIB Bidders submitted after 5 pm on the QIB Bid/Offer Closing Date, Bids by Non-Institutional Bidders submitted after 3 pm on the Bid/Offer Closing Date, and Bids by Retail Individual Bidders submitted after 3 pm on the Bid/Offer Closing Date unless extended by the Stock Exchanges, as applicable;

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC BIDDING SYSTEM OF THE STOCK EXCHANGES BY THE SYNDICATE MEMBERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the allotment of Equity Shares in this Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated March 16, 2012 with NSDL, the Company and the Registrar to the Issue;
2. Agreement dated February 24, 2012 with CDSL, the Company and the Registrar to the Issue.

All Bidders can seek allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

1. 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.
2. The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.
3. Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder
4. Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
5. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
6. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
7. 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.
8. The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.
9. Non-transferable allotment advice or refund orders will be directly sent to the Bidders by the Registrar to the Issue.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, the Bidders' Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch of the SCSBs where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, bank account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the ASBA process may be addressed either to (i) the concerned member of the Syndicate and the relevant SCSB, in the event of a Bid submitted by an ASBA Bidder at any of the Syndicate ASBA Centres, or (ii) the Designated Branch of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, number of Equity Shares applied

for, amount paid on application, in the event of a Bid submitted directly with a Designated Branch by an ASBA Bidder; **in both cases with a copy to the Registrar to the Issue.**

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or wilful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable ICDR Regulations.

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

PAYMENT OF REFUND

Bidders other than ASBA Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid cum Application Form, the Registrar will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf to make refunds. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Refund Banks, Public Issue Account Bank nor the Lead Managers 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.

On the Designated Date and no later than 12 Working Days from the Bid/Issue Closing Date, the Escrow Collection Banks shall dispatch refund orders for all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also the excess amount paid on bidding, if any, after adjusting for allocation/Allotment to such Bidders.

Mode of making refunds for Bidders other than ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

1. NECS—Payment of refund would be done through ECS for applicants having an account at any of the 68 centres notified by SEBI through its notification (Ref. No. SEBI/CFD/DILDIP/29/2008/01/02) dated February 1, 2008. 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 such 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 centres where such facility has been made available and whose refund amount exceeds ₹ 200,000 will be considered to receive refund through RTGS. For such eligible applicants, the IFSC code will be derived based on the MICR code of the Bidder as per depository records. In the event the same is not available as per depository's records, refund shall be made through NECS. 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.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched through Speed Post or Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Forms for withdrawn, rejected, 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 NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 12 days of Bid/ Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

We shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within twelve working days of Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI (ICDR) Regulations, we further undertake that:

- Allotment of Equity Shares shall be made only in dematerialized form within 12 (twelve) working days of the Bid/Issue Closing Date;
- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 (Twelve) working days of the Bid/Issue Closing Date would be ensured. With respect to 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 12 Working Days from the Bid/Issue Closing Date, whichever is later, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 12 Working Days prescribed above. If such money is not repaid within eight days from the day our Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

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.”

BASIS OF ALLOTMENT

1. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Issue Price, full allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than [•] Equity Shares at or above the Issue Price, the allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate basis of allotment, refer below.

2. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less allotment to QIBs and Retail Portion shall be available for allotment to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than [•] Equity Shares at or above the Issue Price, allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate basis of allotment refer below.

3. For QIBs

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allotment to all the QIB Bidders will be made at the Issue Price.
- The Issue less allocation to Non-Institutional Portion and Retail Portion shall be available for allotment to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
 - (a) In the First instance allocation to Mutual Funds for up to 5% of the QIB Portion shall be determined as follows:

- i. In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.
 - ii. In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full allotment to the extent of valid bids received 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:
- ii. 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.
 - iii. 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.
 - iv. Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

Based on the above, the level of the subscription shall be determined and proportionate allocation to all QIBs including Mutual Funds in this category shall be made

PROCEDURE AND TIME SCHEDULE FOR TRANSFER OF EQUITY SHARES

The Issue will be conducted through a “Voluntary Book Building Process” pursuant to which the Syndicate Members / Sub-syndicate Members / SCSBs will accept bids for the Equity Shares during the Bidding Period. The Bidding Period will commence on [●] and expire on [●]. Following the expiration of the Bidding Period, our Company, in consultation with the BRLM, will determine the issue price, and, in consultation with the BRLM, the **basis of allotment** and entitlement to allotment based on the bids received and subject to the confirmation by the BSE and NSE. Successful bidders will be provided with a confirmation of their allocation and will be required to pay any unpaid amount for the Equity Shares within a prescribed time. The Prospectus will be filed with SEBI and the Registrar of Companies and will be made available to investors. SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful bidders within 12 days of the expiration of the Bidding Period. The Equity Shares will then be credited and allotted to the investors’ demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

METHOD OF PROPORTIONATE BASIS OF ALLOTMENT IN THE ISSUE

In the event of the Issue being over-subscribed, we shall finalize the basis of allotment in consultation with the Designated Stock Exchange. The executive director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of allotment is finalized in a fair and proper manner.

The allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorised according to the number of Equity Shares applied for by them.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

- d) In all Bids where the proportionate allotment is less than [•] Equity Shares per Bidder, the allotment shall be made as follows:
- Each successful Bidder shall be allotted a minimum of [•] Equity Shares; and
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above.
- e) If the proportionate allotment to a Bidder is a number that is more than [•] but is not a multiple of one (1) (which is the marketable lot), the decimal will be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it will be rounded off to the lower whole number. Allotment to all Bidders in such categories shall be arrived at after such rounding off.
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS

The Registrar to the Issue shall give instructions for credit of the Allotted Equity Shares to the beneficiary account with depository participants within 12 Working Days from the Bid/Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI will get refunds through NECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit, RTGS and NEFT. Our Company shall ensure dispatch of refund orders, if any, by registered post or speed post at the sole or First Bidder's sole risk within 12 Working Days of the Bid/Issue Closing Date. Bidders to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 Working Days of closure of Bid/ Issue Closing Date. In case of ASBA Bidders, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

INTEREST IN CASE OF DELAY IN DESPATCH OF ALLOTMENT LETTERS OR REFUND ORDERS/ INSTRUCTION TO THE SCSBS BY THE REGISTRAR

Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Bidders' depository accounts will be completed within 12 Working Days of the Bid/ Issue Closing Date. Our Company further agrees that it shall pay interest at the rate of 15% p.a. if the Allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within 15 days or 12 Working Days from the Bid/Issue Closing Date, whichever is later.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

In case of ASBA Bidders, the SCSBs will un-block funds in the ASBA Account to the extent of refund to be based on instructions received by the Registrar.

UNDERTAKINGS BY OUR COMPANY

We undertake the following:

- That if our Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That if our Company withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue of Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI;
- that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily. Our Company has authorized the Company Secretary and Compliance Officer to redress all complaints, if any, of the investors participating in the Issue;
- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;
- that the funds required for dispatch of refund orders or allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 days of the Bid/ Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- that adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalizing the basis of allotment;
- that the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time; and
- that no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.
- 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 final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Any further issue of Equity Shares 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 the appropriate head in the balance sheet indicating the form in which such unutilised monies have been invested;

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the BRLM reserves the right not to proceed with the Issue at anytime, including after the Bid/Issue Closing Date but before the Board meeting for Allotment, and if so, the reason

thereof shall be given as a public notice, in two national newspapers (one each in English and Hindi) and in one Regional newspaper. The Stock Exchanges shall also be informed promptly. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

In terms of the SEBI (ICDR) Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/ Issue Closing Date.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed by the provisions of the FEMA read with the applicable FEMA Regulations and the FDI Policy issued by the Department of Industrial Policy & Promotion (DIPP), Government of India. The DIPP, under Government of India has issued a Consolidated FDI Policy on September 30, 2011 which came into effect from October 01, 2011. (According to this Circular 2 of 2011, the Government proposes to update the consolidated circular on FDI policy once every six months and therefore, Circular 2 of 2011 will be valid until the DIPP issues an updated circular.)

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. FEMA regulates the precise manner in which such investment may be made. Unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Under the sector specific guidelines of the GoI, 100% FDI is allowed under the automatic route in certain NBFC activities subject to compliance with guidelines of the RBI in this regard.

FII's are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered 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, the 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 of the Securities Act (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus 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 this Draft Red Herring Prospectus 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.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION X: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on 11th November, 2011.

1. SHARE CAPITAL

- a. The Authorized Share Capital of the Company is as mentioned in the Capital Clause of the Memorandum of Association of the Company with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors or by the Company in General Meeting, as applicable, in conformity with the provisions of the Act, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations.
- b. Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the Equity Shares in the event of winding up of the Company, the holders of the Equity Shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such Equity Shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid up on such Equity Shares respectively at the commencement of the winding up.
- c. Subject to the provisions of the Act and all other applicable provisions of law, the Company may issue shares either equity or any other kind with non-voting rights and the resolutions authorizing such issue shall prescribe the terms and conditions of the issue.
- d. Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in that company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares, then the same shall be in accordance with provisions of Section 81.

2. BOARD'S RIGHT TO ISSUE SHARES

Board may, at its discretion, issue any part or parts of the unissued shares upon terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and subject to the provision of Section 81 of the Act, thinks fit.

3. ALLOTMENT

The Board may, at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital but subject to Section 81 of the Act and the following provisions, namely:

- a. Where the offer and allotment of such shares are made within two years from the date of incorporation of the company or within one year from the first allotment of shares made after incorporation, whichever is earlier, the Board shall be at liberty to offer the shares and allot the same to any person or persons at their discretion.
- b. In respect of offers and allotment made subsequent to the date set out in clause (a) above, the Directors shall subject to the provisions of Section 81 of the Act and of Sub clause (c) hereunder observe the following conditions:

- i. Such new 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 upon those shares at that date
 - ii. The offer aforesaid shall be made by Notice specifying the number of shares offered and limiting a time not being less than thirty 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 favor of any other person, and the notice referred to in clause (II) shall contain a statement of this right.
 - iv. After the expiry of the time specified in the notice aforesaid or earlier intimation from the person to whom such notice is given that he declines to accept the shares offered the Board may dispose of them in such manner as it thinks most beneficial to the Company
- c. The Directors may with the sanction of the Company in General Meeting offer and allot shares to any person at their discretion provided that such sanction is accorded either by
- i. A special resolution passed at any 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 favor 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 member, 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

Nothing in this clause shall apply to the increase in the subscribed capital of the Company caused by the exercise of an option attached to debentures issued or loans raised by the Company:

- a. To convert such debentures or loans into shares in the company, or
- b. 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.

4. RETURN OF ALLOTMENT

The Board shall duly comply with the provisions of Section 75 of the Act, with regard to all allotment of shares from time to time.

5. VARIATION OF RIGHTS

The rights attached to each class of shares (unless otherwise provided by the terms of issue the shares of that class may, subject to the provisions of Sections 106 and 107 of the Act, varied with the consent in writing of the holders of 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 shares of that class. To every such separate meeting the provisions of this Article relating to General Meeting shall mutatis mutandis apply except that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares in that class.

6. ISSUE OF FURTHER SHARES PARI PASSU SHALL NOT AFFECT THE RIGHT OF SHARES ALREADY ISSUED

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided for 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.

7. ISSUE OTHER THAN FOR CASH

- a. The Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property sold or transferred goods or machinery and appliances supplied or for services rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business, or for any other purpose as may be permissible under the act and any shares which may be so allotted, may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid up shares.
- b. The said power vested in the Board by this Article shall not be exercised except by the unanimous consent of all the Directors or with the previous sanction of a special resolution passed at a General Meeting of the Company.

8. JOINT HOLDERS

Where two or more persons are registered as joint holders of any share, they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the following provisions:

- a. The person whose name stands first on the register in respect of such share shall alone be entitled to delivery of certificate thereof
- b. Any one of such persons may give effectual receipts for any dividend, bonus or return of capital payable in respect of such shares, and such joint holders shall be severally, as well as jointly liable for payment of all installments and calls due in respect of such share/shares
- c. Any one of such persons may vote at any meeting either personally 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 present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such shares, shall alone be entitled to vote in respect thereof. Several executors or administrators, of a deceased member in whose name any share stands shall for the purpose of this Article, be deemed joint holders, thereof.
- d. In case of death of any one or more of such joint holders, the survivors shall be the only persons, recognized by the Company as having any title to or interest in such shares, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from and liability on shares held by him jointly with any other person.
- e. All notices directed to be given to the members shall be given to such person who is named first in the register, and notice so given shall be sufficient notice to all the holders of such shares.

9. PREFERENCE SHARES

- a. Redeemable Preference Shares

The Company shall have power to issue on a cumulative or non-cumulative preference shares, carrying a right of redemption or liable to be redeemed at the option of the Company and the Directors may subject to the provisions of the Act exercise such powers in any manner as they may think fit including the right to redeem at a premium or otherwise

- b. Convertible Redeemable Preference Shares

The Board shall subject to the provisions of the Act and the consent of the Company have power to issue on a cumulative or non-cumulative basis Convertible Redeemable Preference Shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such Shares into such Securities on such terms as they may deem fit.

10. PROVISIONS IN CASE OF PREFERENCE SHARES

Upon the issue of Preference Shares pursuant to Article 5 above, the following provisions shall apply:

- 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 a fresh issue of Shares made for the purposes of the redemption;
- b. No such Shares shall be redeemed unless they are fully paid;
- c. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Securities 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 the 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 Share redeemed; and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;
- e. The redemption of Preference Shares under this Article by the Company shall not be taken as reduction of Share Capital;
- f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued Shares of the Company to be issued to the Members as fully paid bonus Shares.

11. SHARE EQUIVALENT

The Company shall subject to the provisions of the Act, compliance with all applicable laws, rules and regulations, have power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

12. ADRs/GDRs

The Company shall, subject to the provisions of the Act, compliance with all applicable laws, rules and regulations, have power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include, at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board or otherwise.

13. ALTERATION OF SHARE CAPITAL

- a. The Company may by Ordinary Resolution in General Meeting from time to time alter the conditions of its Memorandum as follows, that is to say, it may
 - i. Increase its share capital by such amount as it thinks expedient by issuing new shares and the new Shares shall be issued on such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct and if no direction be given, the Board of Directors shall determine, and in particular such Shares may be issued with a preferential right to Dividends and in the distribution of the assets of the Company;

- ii. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - iii. Sub-divide its existing shares or any of them, into shares of smaller amount than as fixed by the Memorandum, subject nevertheless to the provisions of the Act
 - iv. Cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- b. The Board will have power, from time to time, to divide or classify any unclassified shares forming part of the authorized capital for the time being into several classes and to attach thereto respectively such equity, preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being be provided in the Articles of Association of the Company.

14. REDUCTION OF SHARE CAPITAL

The Company may (subject to the provisions of Sections 78, 80 and 100 to 105 both inclusive of the Act), from time to time by Special Resolution, reduce its Capital, any Capital Redemption Reserve Account and the Securities Premium Account in any manner for the time being authorized by law, and in particular, Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate any power the Company would have, if it were omitted.

15. POWER OF COMPANY TO PURCHASE ITS OWN SHARES

Pursuant to a resolution of the Board of Directors, the Company may purchase its own Shares by way of a buy-back arrangement, in accordance with Section 77A of the Act and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, subject to compliance with all applicable Requirements of Law.

16. POWER TO MODIFY RIGHTS

Where, the Capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is affected 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 hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

17. SHARES

- a. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act and Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall also be entitled to keep in any State or Country outside India, a foreign register or a branch Register of Members and Debenture holders in accordance with Section 157 of the Act. The Board may make and vary such regulations as it may think fit respecting the keeping of any such register(s);
- b. The Shares in the Capital shall be numbered progressively according to their denominations, provided however, that the provisions relating to progressive numbering shall not apply to the Shares of the Company which are dematerialized or may be dematerialized in future or issued in future in a dematerialized form. Except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share held in material form shall continue to bear the number by which the same was originally distinguished.

- c. The Company shall be entitled to dematerialize its existing Shares, rematerialize its Shares held in the Depository and/or to offer its fresh Shares in a dematerialized form pursuant to the Depositories Act, 1996, and the rules framed there under, if any.

18. FURTHER ISSUE OF SHARES

- a. The Share Capital of the Company shall be in accordance with requirements of Law, as in force from time to time.
- b. Any increase in the subscribed Capital of the Company by allotment of further Shares, whether out of un-issued Share Capital or out of increased Share Capital or otherwise, shall be effected in accordance with the applicable requirements of Law.
- c. Any acquisition of Shares or other Securities of the Company by the Persons who can acquire Securities of a company incorporated in India shall be in compliance with any applicable laws, regulations or guidelines or any requirements of Law.

19. SHARES AT THE DISPOSAL OF THE DIRECTORS

- a. Subject to the provisions of Section 81 of the Act, if applicable, and these Articles, the Shares in the Capital of the Company for the time being (including any Shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Section 78 and 79 of the Act) at such time as they may from time to time think fit and with the sanction of the Members to give to any Person or Persons the option or right to apply for any Shares either at par or premium or at a discount 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 however, notwithstanding the foregoing, the option or right to call on Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.
- b. In addition to and without derogating from powers for that purpose conferred on the Board under these Articles, the Members may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased Capital of the Company), shall be offered to such Persons, (whether Members or holders of Debentures or any other Securities or not), in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, as the Members shall determine and with full power to give any person, (whether a Member or holders of Debentures or any other Securities or not), the option to call for or be allotted Shares of any class of the Company, either (subject to compliance with the provisions of Sections 78 and 79 of the Act), at a premium or at par or at a discount, such option being exercisable at such time and for such consideration as may be directed by the Members or the Members make any other provision whatsoever for the issue, allotment or disposal of any Shares.
- c. Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares 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 of Members shall for the purposes of these Articles be a Member.
- d. The money, (if any), which the Board 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 insertion of the name of the allottee, in the Register of Members as the name of 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.
- e. Every Member, or his heirs, Executors, 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 shall from time to time in accordance with the Articles require or fix for the payment thereof.

- f. If any Share stands in the names of two or more Members, the Member first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at Meetings and the transfer of 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 according to these Articles.
- g. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the Member 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 be bound to recognize any benami, trust or equity or equitable, contingent or other claim to or interest in such Share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Shares in the joint names of any two or more Persons or the survivor or survivors of them.

20. ISSUE OF SHARE CERTIFICATES

- a. The issue of certificates of shares or of duplicate or renewal of certificates of shares shall be governed by the provisions of Section 84 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed for the time being. Certificate of shares shall be issued under the seal of the Company which shall be affixed in the presence of and signed by such Directors of the Company 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 Directors for the purpose. Provided that, notwithstanding what is stated above, the Directors shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or the rules made under the Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf
- b. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- c. In respect of any share held jointly by several persons, the company shall not be bound to issue more than one certificate for the same share and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid the joint holders shall be entitled to apply for several certificates each for one or more shares held by them in accordance with Article 15 above.

21. INTEREST OUT OF CAPITAL

Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may with the previous sanction of the Central Government, pay interest on so much of that Share Capital as is for the time being Paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provision of plant.

22. CALLS

- a. Subject to the provisions of Section 91 of the Act, the Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks 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 Person or

Persons and at the times and places appointed by the Board. A call may be made payable by installments.

- b. Thirty days notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Board may by notice in writing to the Members revoke the same.
- c. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed and may be made payable by the Members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board.
- d. A call may be revoked or postponed at the discretion of the Board.
- e. The joint holder of a Share shall be jointly and severally liable to pay all installments and calls due in respect thereof.
- f. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Members, but no Members shall be entitled to such extension save as a matter of grace and favor.
- g. If any Member or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board.
- h. Any sum, which by the terms of issue of a Share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the Share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- i. On the trial or hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequently to the date at which the money sought to be recovered is alleged to have become due on 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 was duly given to the Member or his representatives so sued in pursuance of these Articles; 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 any 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.
- j. Neither a judgment or decree in favor of the Company for calls, nor 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.
- k. The Board may, if it thinks fit (subject to the provisions of Section 92 of the Act) agree to and receive from any Member willing to advance the same, the whole or any part of the amounts due upon the Shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or upon so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the Shares in respect of which such advance has been made, the Board may pay interest, as the Member paying such sum

in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three (3) months notice in writing. Provided that the money paid in advance of calls on any Shares may carry interest but shall not in respect thereof confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

- l. No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same become presently payable.
- m. The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

23. TRANSFER AND TRANSMISSION

- a. The Company shall keep a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other security held in a material form.
- b. Every instrument of transfer of Shares shall be in writing in the usual common form or in such form as may be prescribed under Section 108 of the Act and shall be delivered to the Company within such time as may be prescribed under the Act.
- c. (i) An application for the registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.

(ii) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- d. Every such instrument of transfer shall be executed both by the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- e. The Board shall have power on giving not less than seven days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Members and/or 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 (45) in each year, as it may deem expedient.
- f. Subject to the provisions of Sections 111 and 111A of the Act, or any statutory modification of the said provisions for the time being in force and any other Requirements of Law, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of Shares and in particular may so decline in any case in which (i) the proposed transferee is a Person who is not permitted by any applicable law, regulation or guideline or any Requirements of Law, to acquire securities of the Company or (ii) if the Company has a lien upon the Shares or any of them or (iii) whilst any moneys in respect of the Shares desired to be transferred or any of them has remained unpaid or not or unless the transferee is approved by the Board and such refusal shall not be affected by the fact that the proposed transferee is already a Member. But in such cases it shall, within one (1) month from the date on which the instrument of transfer was lodged with the Company send to the transferee and the transferor notice of refusal to register such transfer. The registration of a transfer shall be conclusive evidence of the approval of the Board of the transferee.
- g. Provided that 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.
- h. Subject to the provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any Shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and

shall not be bound to give any reason for such refusal and in particular may also decline in respect of Shares upon which the Company has a lien.

- i. Transfer of Shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scrips of any small denominations or to consider a proposal for transfer of Shares comprised in a share certificate to several Members, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of Shares in violation of the stock exchange listing requirements on the ground that the number of Shares to be transferred is less than any specified number.
- j. In the case of the death of anyone or more of the Members named in the Register of Members as the joint-holders of any Share, the survivors shall be the only Member or Members recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on Shares held by him jointly with any other Person.
- k. The Executors or Administrators or holder of the Succession Certificate or the Legal Representatives of a deceased Member, (not being one of two or more joint-holders), shall be the only Members recognized by the Company as having any title to the Shares registered in the name of such Member, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representatives unless such Executors or Administrators or Legal Representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted court in the Union of India, provided that the Board may in its absolute discretion dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under these Articles register the name of any Person who claims to be absolutely entitled to the Shares standing in the name of a deceased Member, as a Member.
- l. The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind.
- m. Subject to the provisions of Articles, any Person becoming entitled to Shares in consequence of the death, lunacy, bankruptcy of any Member or Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favor of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares.
- n. A Person becoming entitled to a Share by reason of the death or insolvency of a Member shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Shares, except that he shall not, before being registered as a Member in respect of the Shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company; PROVIDED THAT the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Shares, and if the notice is not complied with within ninety days, the Directors may thereafter withhold payment of all Dividends, bonuses or other moneys payable in respect of the Shares until the requirements of the notice have been complied with.
- o. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

- p. In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at their discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the company to authenticate such endorsement on behalf of the company or to authenticate such endorsement on behalf of the company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate, in the name of the transferee.
- q. In case of transfer and transmission of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
- r. Before the registration of a transfer, the certificate or certificates of the Share or Shares to be transferred must be delivered to the Company along with (save as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.
- s. No fee shall be payable to the Company, in respect of the transfer or transmission of Shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents.
- t. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or 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, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.
- u. The provision of these Articles shall subject to the provisions of the Act and any requirements of law mutatis mutandis apply to the transfer or transmission by operation of law to other Securities of the Company.

24. RENEWAL OF CERTIFICATE

If any certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the directors shall comply with such rules or regulations or requirements of any stock exchanges or rules made under the Act or rules made under Securities Contracts (Regulations) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall mutatis mutandis apply to debentures of the Company.

25. TERMS AND CONSEQUENCES OF TRANSFER OF SHARES

Notwithstanding anything to the contrary contained in these Articles:

a. Transfer terms

Any sale and/or transfer of Shares shall be on terms that those Shares:

- i. are transferred free from all Encumbrances; and
- ii. Are transferred with the benefit of all rights attaching to them.

b. Documents

The selling Shareholder(s) must deliver to the buyer in respect of the Shares which it is selling, upon, and simultaneously with, the receipt of the total consideration payable in respect of the Shares being sold if:

- i. The Shares are not in dematerialized form, duly executed share transfer forms and the relevant share certificates; or
- ii. The Shares are in dematerialized form, duly executed delivery instructions to its depository participant for the transfer of the Shares from its depository account to the depository account of the buyer; and
- iii. A power of attorney in such form and in favor of such person as the buyer may nominate to enable the buyer to exercise all rights of ownership in respect of the Shares to be sold, including voting rights.

c. Payment

The buyer must pay the total consideration due for the Shares to the selling Shareholder(s) by telegraphic transfer to the bank account of the selling Shareholder(s) notified to it for that purpose on the relevant transfer date.

d. Further Assurance

Each Shareholder shall do all things and carry out all acts which are reasonably necessary to affect the transfer of the Shares as provided in these Articles in a timely manner.

e. Return of documents, etc.

On ceasing to be a Shareholder, such Shareholder must hand over to the Company material correspondence, documents and records relating to the Company held by it or any of its Affiliates or any third party which has acquired such matter through that Shareholder and shall not keep any copies (unless it is required to keep copies as a result of legal requirement or the requirements of any regulatory or governmental body).

26. DEMATERIALISATION OF SECURITIES

a. Dematerialization:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed there under, if any.

b. Options for investors

Subject to Section 68B of the Act, every Person subscribing to Securities offered by the Company shall have the option to receive security certificates or to hold the Securities with a Depository. Such a Person who is the Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Securities in a manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required Certificate of Securities. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

c. Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

d. Rights of Depositories & Beneficial Owners:

- i. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
- ii. Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- iii. Every person holding Shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company.
- iv. The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

e. Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

f. Transfer of Securities:

- i. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of who are entered as Beneficial Owners in the records of a Depository.
- ii. In the case of transfer or transmission of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

g. Allotment of Securities dealt with in a Depository

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

h. Certificate No. of Securities in Depository

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

i. Register and Index of Beneficial Owners

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Members and Security-holders for the purposes of these Articles.

27. NOMINATION OF SHARES

- a. Every holder of Shares in, or holder of Debentures of, the Company may, at any time, nominate, in the manner prescribed under the Act, a Person to whom his Shares in, or Debentures of, the Company shall vest in the event of his death.
- b. Where the Shares in, or Debentures of, the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Act, a Person to whom all the rights in the Shares or Debentures of the Company shall vest in the event of death of all the joint holders.
- c. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such Shares in or Debentures of, the Company, where a nomination made in the manner prescribed under the Act, purports to confer on any Person the right to vest the Shares in, or Debentures of, the Company, the nominee shall, on the death of the Member or debenture holder of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in the Shares or Debentures of the Company or, as the case may be, all the joint holders, in relation to such Shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the Act.
- d. Where the nominee is a minor, the holder of the Shares or Debentures concerned, can make the nomination to appoint in prescribed manner under the Act, any Person to become entitled to the Shares or Debentures of the Company in the event of his death, during the minority.

28. TRANSMISSION IN CASE OF NOMINATION

- a. Notwithstanding anything contained in other Articles, any Person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, 1956, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect either:
 - i. To be registered himself as holder of the Share or Debenture, as the case may be, or
 - ii. To make such transfer of the Share or Debenture, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.
- b. If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share or Debenture, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Member or debenture holder, as the case may be.
- c. All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration or transfer of Shares or Debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the Member had not occurred and the notice or transfer where a transfer signed by that Member or debenture holder, as the case may be.
- d. A Person, being a nominee, becoming entitled to a Share or Debenture by reason of the death of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture except that he shall not, before being registered a Member in respect of his Share or Debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Share or Debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all Dividends, bonuses or other moneys payable in respect of the Share or Debenture until the requirements of the notice have been complied with.

29. NOMINATION IN OTHER CASES

Subject to the provisions of the Act and these Articles, A person becoming entitled to any share in consequence of the death or lunacy of any member or by any lawful means other than transfer in

accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Shares or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favor of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares.

30. LIEN

- a. 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 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 and interest in respect of 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 Article.
- b. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they may think fit and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such Member but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member or his Legal Representative or the person or persons entitled by transmission to the shares and default shall have been made by him or them in the payment of the sum payable as aforesaid from fourteen days after such notice.
- c. The net proceeds of any such sale, after payment of the costs of such sale, shall be applied in or towards satisfaction of all moneys called and payable in respect of such shares and the residue (if any) (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) paid to such member or to the person (if any) entitled by transmission to the shares so sold.
- d. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register 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 shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only against the Company exclusively. Upon any such sale as 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 new certificates in lieu thereof to the purchaser or purchasers concerned.

31. PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

- a. Neither a judgment nor a decree in favor of the company, for calls or other moneys due in respect of any shares, nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall from time to time, be due from any member in respect of any share, 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.
- b. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be registered holder of the share or his legal representative or representatives, if any.

32. FORFEITURE OF SHARES

- a. If any Member fails to pay any call or installment or any part thereof or any money due in respect of any Shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his Legal Representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- b. The notice shall name a day, (not being less than fourteen days from the date of the notice), and a place or places on or before which such call or installment or such part or other moneys as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the Shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- c. If the requirements of any such notice as aforesaid shall not be complied with, any Share in respect of which such notice has been given, may at any time thereafter before payment of all calls, installments, other moneys due in respect thereof, interest and expenses as aforesaid, be forfeited by a Resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other moneys payable in respect of the forfeited Share and not actually paid before the forfeiture.
- d. 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 or if any of his Legal Representatives or to any of the Persons entitled to the Shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- e. 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 shall think fit.
- f. Any Member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, amounts, installments, interest and expenses and other moneys owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- g. The forfeiture of a Share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the Share and all other rights incidental to the Share, except only such of these rights as by these Articles are expressly saved.
- h. A declaration in writing that the declarant is a Director or Secretary of the Company and that a Share in the Company has been duly forfeited.

33. GENERAL MEETINGS

- a. The Company shall in each year hold a General Meeting specified as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- b. The Annual General Meeting shall be held within six months after the expiry of each Financial Year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken

as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held.

34. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

- a. Every Annual General Meeting shall be called for at a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situate, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- b. Every Member of the Company shall be entitled to attend the Annual 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 which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 159, 161, and 220 of the Act. The Directors are also entitled to attend the Annual General Meeting.

35. NOTICE OF GENERAL MEETINGS

- a. Number of days notice of general meeting to be given: A General Meeting of the Company may be called by giving not less than twenty one (21) days clear notice in writing, but a General Meeting may be called after giving shorter notice if consent is accorded thereto:
 - i. In case of an Annual General Meeting, by all the Members entitled to vote thereat; and
 - ii. In the case of any other meeting, by the 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 a right to vote at the meeting.

b. Notice of meeting to specify place, etc., and to contain statement of business

Notice of every meeting of the Company shall specify the place, date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.

c. Documents to be annexed to the notice

- i. Where any items of business to be transacted at the meetings are deemed to be special in accordance with provisions of the Act, a statement setting out all material facts concerning each such item of business including in particular the nature and extent of interest, if any, therein of every Director, and the Manager, if any.
- ii. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified on the statement mentioned above.
- iii. A copy of every Balance Sheet, Profit and Loss Account, the Auditors' report and every document required by law to be annexed or attached to the Balance Sheet and which is to be annexed or attached to the Balance Sheet and which is to be laid before a General Meeting of the Company shall be made available for inspection at the Registered Office during working hours for period of twenty one days before the date of meeting and the statement containing salient features of such documents in the prescribed form shall be sent to every member of the Company and to every trustee for the holders of any debentures issued by the Company not less than twenty one days before the date of meeting.

- iv. Any member or holder of debentures and any person from whom the Company has accepted a sum of money by way of deposit shall, on demand, be entitled to be furnished free of cost, with a copy of the Balance Sheet of the Company and every document required by law to be annexed or attached thereto including Profit and Loss Account and Auditors Report.
- v. A copy of the representation, if any, made under Section 225 by a retiring auditor or under Section 284 by a Director sought to be removed from office, shall be sent to the members of the Company as provided for in Section 225 or any statutory modifications thereof.
- vi. Subject to the provisions of Section 188 or any statutory modifications thereof member's resolution shall be circulated to the members of the Company entitled to receive notice of the next annual general meeting.
- vii. The Company shall give inspection of documents referred to in Section 165 (6), 173 (3), 176 (7) and 230 at the commencement of or before the meetings.

d. Contents and manner of service of notice and persons on whom it is to be served

Every notice may be served by the Company on any Member thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Member to the Company forgiving the notice to the Member.

e. Special business

Where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 173(1)(a) of the Act shall be deemed to be special.

f. Resolution requiring special notice

With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 190 of the Act.

g. Notice of adjourned meeting when necessary

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

h. Notice when not necessary

Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

36. REQUISITION OF EXTRAORDINARY GENERAL MEETING

- a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the Paid-up Share Capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made, and such meeting shall be at the Office of the Company or at such place and at such time as the Board thinks fit.
- b. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office;

provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

- c. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid-Up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the Meeting, but in either case any Meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- d. Any Meeting called under the foregoing sub-Articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a Meeting is to be called by the Board.
- e. The accidental omission to give any such notice as aforesaid to any of the Members, or the non-receipt thereof, shall not invalidate any resolution passed at any such Meeting.
- f. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

37. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

Five Members present in person shall be the quorum.

38. ADJOURNED MEETING

If, at the expiration of half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the meeting if convened by or upon the requisition of Members shall stand dissolved but in any other case the Meeting shall stand adjourned for 7 days after the original meeting or to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and such other time and place within the city, town or village in which the Registered Office of the Company is situate, as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

39. CHAIRMAN OF THE GENERAL MEETING

Mr. Nitin Prabhudas Somani, the Chairman of the Board shall preside as Chairman at every general meeting of the Company. In absence of Nitin Prabhudas Somani, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Vice-Chairman of the Board shall preside as Chairman of the meeting. If there is no Chairman or Vice Chairman, or none of them are present within fifteen minutes after the time appointed for holding the meeting, or are unwilling to act as Chairman of the meeting, the directors present shall elect one of their number to be the Chairman of the meeting. If at any meeting no Director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

40. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

41. QUESTIONS AT GENERAL MEETING HOW DECIDED

- a. At any General Meeting, a resolution put to the vote of the Meeting shall, unless a poll is demanded, be decided on a show of hands. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or in which an aggregate sum of not less than fifty thousand rupees has been Paid-up. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favor of or against that resolution.
- b. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
- c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles save and except otherwise than in the Extra- Ordinary General Meeting be taken at such time, (not later than forty eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the Meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- d. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report the results onto him. One of the scrutinizers so appointed shall always be a Member, (not being an officer or employee of the Company); present at the Meeting provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.
- e. Any poll duly demanded on the election of a Chairman of a Meeting or any question of adjournment, shall be taken at the Meeting forthwith.
- f. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.
- g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 193 of the Act to be contained in the Minutes of the proceedings of such Meeting.
- h. The Members will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

42. VOTES OF MEMBERS

- a. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of Members either upon a show of hands or upon a poll in respect of any Shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Member not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such Meeting, and on a show of hands, every

Member present in person shall have one vote and upon a poll, the voting right of such Member present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

- c. Provided however, if any Member holding Preference Shares be present at any Meeting of the Company, save as provided in Clause (b) of Sub-Section(2) of Section 87 of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his Preference Shares.
- d. On a poll taken at a Meeting of the Company, a Member entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- e. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Member be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute), by the Chairman of the meeting.
- f. If there be joint registered holders of any shares, any one of such Persons may vote at any Meeting or may appoint another Person, (whether a Member or not) as his proxy in respect of such Shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the Meeting and if more than one of such joint-holders be present at any Meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other joint- holders shall be entitled to be present at the Meeting. Several Executors or Administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- g. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Member.
- h. Any Person entitled to transfer any Shares of the Company 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 forty-eight hours at least before the time of holding the Meeting or adjourned Meeting as the case may be at which he proposes to vote, he shall satisfy the Board of his right to such Shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such Meeting in respect thereof.
- i. Every proxy, (whether a Member or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorized by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a Meeting.
- j. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular Meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every Meeting of the Company, or (iv) of every Meeting to be held before a date specified in the instrument for every adjournment of any such Meeting.
- k. A Member present by proxy shall be entitled to vote only on a poll.
- l. An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the Meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. An attorney

shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty eight hours before the time for holding the Meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such Meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Member or the attorney, given at least 48 hours before the Meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the Meeting, the attorney shall not be entitled to vote at such Meeting unless the Board in their absolute discretion excuse such non-production and deposit.

- m. Every instrument of proxy whether for a specified Meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in Schedule IX of the Act or a form as near thereto as circumstance admit.
- n. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at Meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- o. 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 of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the Meeting.
- p. No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.
- q. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- r. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such Meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- s. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each Meeting in such book shall be dated and signed by the Chairman of the same Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for that purpose.
- t. In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- u. The Minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.
- v. All appointments of Directors of the Company made at any Meeting aforesaid shall be included in the minutes of the Meeting.
- w. Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

- x. Any such Minutes shall be evidence of the proceedings recorded therein.
- y. The book containing the Minutes of proceedings of General Meetings shall be kept at the Registered Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Member without charge.
- z. The Company shall cause minutes to be duly entered in books provided for the purpose of:
 - i. The names of the Directors and Alternate Directors present at each General Meeting;
 - ii. All Resolutions and proceedings of General Meeting;
 - iii. Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause Thereof on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.
- aa. The Members shall vote (whether in person or by proxy) all of the Shares owned or held of record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board of Directors, appointed as a Director of the Company under Section 274(1) of the Act in accordance with these Articles.
- bb. The Members will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- cc. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- dd. The Members shall exercise their voting rights as shareholders of the Company to ensure that the Act and/or these Articles are implemented and acted upon by the Members, and by the Company and to prevent the taking of any action by the Company or by any Member, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

43. GENERAL POWERS OF COMPANY VESTED IN DIRECTORS

The business of the company shall be managed by the Board of Directors, who may exercise all such powers of the company as are not by the Act or any statutory modification thereof for the time being in force or by these presents, required to be exercised by the company in General Meeting, subject nevertheless to any regulation of the presents, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid 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.

44. POWERS OF DIRECTORS FOR DECLARATION OF BONUS

- a. Whenever such a resolution as aforesaid shall have been passed the Board shall:
 - i. Make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and
 - ii. Generally do all acts and things required to give effect thereto.
- b. The Board shall have full power;
 - i. To make such provision, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fraction, and also

- ii. To authorize any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any part of the amounts remaining unpaid on the shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

45. DUTY TO MAINTAIN REGISTERS AND RECORDS OF MINUTES

- a. The Company shall maintain at its registered office a register of directors, managing director, manager and secretary, containing with respect to each of them the particulars as mentioned in Section 303 of the Act.
- b. The Company shall notify the changes and send to the Registrar of Companies an annual list of members and a summary of particulars of shares and stocks.
- c. The Company shall file the copies of special resolutions and other resolutions of the Board as are required to be filed with the Registrar under section 192 of the Act.
- d. The Company shall comply with the requirements of section 163 of the Act, in respect of the register, index of members and register of debenture holders and copies of all annual returns prepared under Section 159 and 160 together with the copies of certificates and documents required to be annexed thereto under Sections 160 and 161.
- e. The Company shall comply with the requirements of section 193 of the Act, in respect of the minutes of all proceedings of every meeting of the Board on any committee of the Board.
- f. The Chairman of the meeting may exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

46. MISCELLANEOUS

No regulations made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulations had not been made.

47. BORROWING POWERS

- a. Subject to the provisions of Section 292 and 293 of the Act and these Articles the Directors may from time to time at their discretion and by means of resolutions passed at their meetings accept deposits from members either in advance of calls or otherwise borrow or secure the payment of any sum or sums of moneys for the purpose of the Company. Provided, however, that where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the Company in General Meeting.
- b. The Directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular, by the issue of bonds, perpetual or redeemable' debentures or debenture-stock or any mortgage, charge or other security from the undertaking or the whole or any part of the property of the Company (both present and future) Provided however that the Board shall not, except with the consent of the Company in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

- c. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- d. Any debentures, debenture-stock, bonds or other securities may be issued at discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any special privilege as to redemption. surrender, drawings, allotment of share, attending (but not voting) ill General Meetings of the Company, appointment of Directors and otherwise PROVIDED HOWEVER that no debentures with the right to conversion into or allotment of shares shall be issued except with the sanction of the Company in General Meeting.
- e. Subject to the provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Members in respect of such uncalled Capital in trust for the Person in whose favor such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favor 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 hereinafter 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 or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- f. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board of Directors from time to time.

48. SHARE WARRANTS

- a. The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid-up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
- b. The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited warrant. Not more than one person shall be recognized as depositor of the share warrant.
- c. Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.
- d. The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Shares included in the warrant, and he shall be a Member of the Company.
- e. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

49. DIVIDENDS

- a. The divisible profits of the Company, subject to any special rights relating thereto being created or authorized to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Members in proportion to the amount of Capital Paid

up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the Shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

- b. No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the shares held by them respectively.
- c. All dividends shall be apportioned and proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- d. No dividend shall be declared or paid otherwise than out of profit of the financial year arrived after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, Provided that:
 - i. If the Company has not provided for depreciation for any previous year or years it shall, before declaring or paying, a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
 - ii. If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both.
 - iii. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
 - iv. The Directors may from time to time pay to the members such interim dividend as in their judgment the position of the Company justifies.
 - v. The Directors may retain any dividend on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagement in respect of which the lien exists.
 - vi. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call to each member shall not exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members be set off against the call.
 - vii. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
 - viii. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post directed to the registered address of that one whose name stands first on the register in respect of the joint holder; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be responsible or liable for any cheques 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 recovery by any other means. If two or more Persons are registered as joint-

holders of any Share(s) any one of them can give effectual receipts for any moneys payable in respect thereof. Several Executors or Administrators of a deceased Member in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

- ix. The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment thereof within forty-two days from the date of the declaration of the dividend unless :-
 - (a). Where the dividend could not be paid by reason of the operation of the law;
 - (b). Where a shareholder has given directions to the Company regarding the payment of the dividend and those directions cannot be complied with;
 - (c). Where there is a dispute regarding the right to receive the dividend;
 - (d). Where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or
 - (e). Where for any reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
 - (f). All dividend unclaimed will be dealt with according to the provisions of the Act.

50. UNPAID OR UNCLAIMED DIVIDEND

- a. If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 days from the date of declaration to any Member entitled to the payment of such dividends, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that regard with any scheduled bank called the “Unpaid Dividend of FAST TRAIN CARGO LIMITED” and transfer to the said account the total amount of Dividend which remains unpaid or in relation to which no Dividend warrant has been posted.
- b. Any money so transferred to the 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 sub-section (1) of Section 205C of the Act, viz. “Investors Education and Protection Fund”.
- c. No unpaid or unclaimed Dividend shall be forfeited by the Board.

51. CAPITALISATION

- a. Any General Meeting may upon the recommendation of the Directors, resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any of the company’s Reserve Accounts or to the credit of the profit and loss account or any Capital Redemption Reserve Account 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 capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized funds shall not be paid in cash but shall be applied subject to the provisions contained in clause (2) hereof on behalf of such shareholders in full or towards:-
 - i. Paying either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be allowed and distributed as fully paid up to and amongst such members in the proportions aforesaid; or
 - ii. Paying up any amount For the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or

- iii. Paying up partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of the interest in the capitalized sum.
- b. Any General Meeting may resolve that any surplus moneys arising from the realization of the capital assets of the Company or any investments representing the sums or any other undistributed profits of the Company not subject charge for income-tax be distributed among the members on the footing that they receive the same as capital.
 - i. Any moneys, investments or other assets representing premiums received on the issue of shares and standing to the credit of the Share Premium Account; and
 - ii. If the Company shall have redeemed any redeemable preference shares or any part of any Capital Redemption Fund arising from the redemption of shares may, by resolution of the Company, be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

52. SUBSEQUENT ASSIGNEES OF UNCALLED CAPITAL

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.

53. SERVICE OF NOTICE

- a. Notice shall include any summons, documents, requisition, order or other legal process and registers, whether issued, sent or kept in pursuance of the Act or any other Act or otherwise.
- b. A notice may be served by the Company on any Member thereof either personally or by sending it by post to him at 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 him,
- c. Where a notice is sent by post:-
 - i. 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 or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sufficient sum to defray the expenses of doing service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
 - ii. Unless the contrary is proved such service shall be deemed to have been effected:-
 - (a). In the case of a notice of meeting at the expiration of forty eight hours after the letter containing the same is posted; and
 - (b). In any other case, at the time the letter would be delivered in the ordinary course of post.
- d. A notice advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appeared, on every Member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notice to him.
- e. A notice may be served by the Company on the joint-holders of a share by serving it on the joint-holder named first in the Register in respect of the share.
- f. A notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignees of the insolvent or by any

like description, at the address in India supplied for the purpose by persons claiming to be so entitled or until such an address has been so supplied by serving the notice in any manner in which it might have been served if the death or insolvency had not occurred.

- g. The signature to any document or notice to be given by the Company may be written, printed or lithographed.
- h. Each registered holder of shares shall from time to time notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.
- i. 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 in a news paper circulating in the District in which the registered office is situated.

54. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

- a. Every person, who by the operation of law, transfer, or other means whatsoever shall become entitled to any shares shall be bound by every document in respect of such share which, previously to his name and address being entered on the Register, shall have been duly served on or sent to the person from whom he derived his title to such share.
- b. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

55. AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS

Save as otherwise expressly provided in the act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director, the Manager, the Secretary or an authorized officer of the Company and need not be under its seal.

56. WHERE BOOKS OF ACCOUNT TO BE KEPT

The Books of Account shall be kept at the Registered Office or at such other place in India as the Directors think fit.

57. INSPECTION BY MEMBERS

The Board of Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts of books and documents of the company or any of them shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the company except as conferred by statute or authorized by the Directors or by a resolution of the company in the general meeting.

58. STATEMENT OF ACCOUNTS TO BE FURNISHED TO GENERAL MEETING

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 up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the Provisions of the Act.

59. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

- a. The Members shall vote on all the resolutions passed all the Shares owned or held of record by such Members at any Annual or Extraordinary General Meeting of the Company in accordance with these Articles.

- b. The Members shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

SECTION XI: OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following Contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These Contracts, copies of which have been attached to the copy of this Draft Red Herring Prospectus, delivered to the Registrar of Companies, Maharashtra at Mumbai for registration and also the documents for inspection referred to hereunder, may be inspected at the registered office/corporate office of our Company from 10.00 am to 4.00 pm on working days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Memorandum of Understanding dated April 04, 2012, entered between our Company and Ashika Capital Limited, the Book Running Lead Manager to the Issue;
2. Agreement between our Company and Bigshare Services Private Limited, Registrar to the Issue, dated December 01, 2011;
3. Tripartite Agreement dated March 16, 2012, between NSDL, our Company and the Registrar to the Issue;
4. Tripartite Agreement dated February 24, 2012 between CDSL, our Company and the Registrar to the Issue;
5. Escrow Agreement dated [●] between our Company, the BRLM, the Escrow Banks, The Syndicate Member(s) and the Registrar to the Issue;
6. Syndicate Agreement dated [●] between our Company, the BRLM and the Syndicate Members;
7. Underwriting Agreement dated [●] between our Company, the BRLM and Syndicate Members.

Material Documents

1. Copy of Memorandum of Association and Articles of Association of our Company, as amended from time to time;
2. Copy of Certification of Incorporation of Fast Train Cargo Limited;
3. Copy of Special Resolution passed under section 81 (1A) of the Companies Act, 1956 at their Extraordinary General Meeting held with a shorter notice on January 04, 2012 authorizing present issue of equity shares;
4. Copy of the resolution passed by members in their meeting held on January 02, 2012 giving authority to the Board of Directors to borrow under Section 293 (1)(d) of the Companies Act, 1956;
5. Copies of annual reports of our Company for the financial years ending on March 31, 2008, 2009, 2010, 2011 and 2012;
6. Report of Statutory Auditor M/s. Sandeep Rathi & Associates, Chartered Accountants dated April 20, 2012 for Restated Financials of our company as mentioned in the DRHP;
7. Copy of certificate dated April 20, 2012 issued by M/s. Sandeep Rathi and Associates, Statutory Auditors of our Company regarding tax benefits accruing to our Company and its shareholders;
8. Copies of the Undertaking from Fast Train Cargo Limited;

9. Consents of Auditors, Bankers to our Company, BRLM, Syndicate Members, Registrar to the Issue, Domestic Legal Counsel to the Company, Directors of our Company, Company Secretary and Compliance Officer, Escrow Collecting Banks as referred to, in their respective capacities;
10. Copy of certificate dated April 24, 2012 received from Sandeep Rathi and Associates, Statutory Auditors of our Company regarding sources and deployment of funds;
11. Copy of resolution passed at the meeting of Board of Directors held on April 30, 2012 for approving this DRHP;
12. Due diligence certificate dated April 30, 2012 to SEBI from the BRLM;
13. Copies of In-principle approval received from BSE vide their letter no. [●] Dated [●] and NSE vide their letter no. [●] Dated [●];
14. IPO Grading Report dated [●] from [●];
15. Development Agreement dated February 13, 2007 executed between Prahlad Sakharam Gaekwad (Transferor) and Leela Prahlad Gaekwad, Praveen Prahlad Gaekwad, Pramod Prahlad Gaekwad, Pratibha Prahlad Gaekwad (**Confirming Parties**) and our Company.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of 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

All relevant provisions of the Companies Act, 1956, and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made thereunder or guidelines or regulations issued, as the case may be. All the said legal requirements connected with this issue as also the guidelines, instruction etc, issued by SEBI, the Government and any other competent authority in this behalf have been duly complied with.

We, the Directors of Fast Train Cargo Limited, hereby declare and confirm that no information/ material likely to have a bearing on the decision of the investors in respect of the Equity Shares issued in terms of this Prospectus has been suppressed/ withheld and/ or incorporated in the manner that would amount to misstatement/ misrepresentation. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

Mr. Nitin Prabhudas Somani
Chairman & Managing Director

Mrs. Sonal Nitin Somani
Whole Time Director

Mr. Manoj Prabhudas Somani
Whole Time Director

Mr. Salim Ismail Shaikh
Whole Time Director

Mr. Suresh Shivappa Nagaral
Independent Director

Mr. Naresh Kumar Sharma
Independent Director

Mr. Mehul Nilesh Shah
Independent Director

Mr. Mohammad Kasim M. Shaikh
Independent Director

Mr. Vinay Choubey
Independent Director

Signed by the Company Secretary and Compliance Officer

Ms. Anshu Shrivastava

Place: Mumbai

Date: April 30, 2012

