

Draft Prospectus
Fixed Price Issue
Please Read Section 60B
of the Companies Act 1956
Dated: 29th June, 2012



JOINTECA EDUCATION SOLUTIONS LIMITED

(The Company was originally incorporated as "Jointeca Software Solutions Private Limited" on May 24, 2011 under the Companies Act, 1956. The name of the Company was changed to "Jointeca Education Solutions Private Limited" pursuant to a special resolution passed at the Extraordinary General Meeting held on August 01, 2011. Pursuant to conversion of the Company from Private Limited to Public Limited, the name of the Company was changed to "Jointeca Education Solutions Limited" and a fresh certificate of incorporation consequent to change in name was obtained on December 13, 2011. (For further details related to change in the name of our Company, please refer to the section titled "History and Corporate Structure" beginning on Page No. 109 of this Draft Prospectus)

Registered Office: 1014, Bagh Bahadur Chowki Colony, Near SBI Crossing, Mathura - 281 001, Uttar Pradesh, India Tel: 0565-6000801, 2410128;
Fax: 0565-2409538 Website: www.jointeca.com; Email: ipo@jointeca.com
Contact person: Tulsu Sharma, Company Secretary & Compliance Officer Email: tulsisharma@jointeca.com

Promoters: Mr. Vishal Mishra, Mrs. Laxmi Agrawal and Mr. Abhay Gautam (Please refer to Page No. 129 of this Draft Prospectus for details of Promoters of the Company)

THE ISSUE

PUBLIC ISSUE OF 35,68,700 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") ISSUED FOR CASH AT A PREMIUM OF ₹ 5/- PER EQUITY SHARE i.e. AT A PRICE OF ₹ 15/- PER EQUITY SHARE AGGREGATING TO ₹ 535.30 LACS ("THE ISSUE") BY JOINTECA EDUCATION SOLUTIONS LIMITED ("THE COMPANY" OR THE "ISSUER") OF WHICH, 3,60,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (AS DEFINED IN THE DRAFT PROSPECTUS) (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. ISSUE OF 32,08,700 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE FACE VALUE OF THE SHARE IS ₹ 10/- EACH AND THE ISSUE PRICE IS 1.5 TIMES OF THE FACE VALUE. THE ISSUE AND THE NET ISSUE TO THE PUBLIC WOULD CONSTITUTE 35.68% AND 32.08%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. THE ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 173 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of Equity Shares of our Company, there has been no formal market for our Equity Shares. The Face Value of the Equity Shares is ₹ 10/- per Equity share and the Issue Price is 1.5 times of the Face Value. The Issue Price (as determined by the Company in consultation with Lead Manager) as stated under the section titled "Basis of Issue Price" given on Page No. 61 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-Related Securities involve a degree of risk and investors should not invest any funds in this Offer, 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 Offering. For taking an investment decision, investors must rely on their own examination of the Company and the offer including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Offer Document. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page no. 12 Of this Draft Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of the Bombay Stock Exchange Limited ("BSE"). Our Company has received an in-principle approval for listing of its equity shares on the SME Platform of BSE from BSE vide their letter dated [●]. For the purpose of this Issue, the designated Stock Exchange will be the Bombay Stock Exchange Limited ("BSE").

LEAD MANAGER TO THE ISSUE

	Ajcon Global Services Limited 101, Samarth Industrial Estate, Off. Hinduja Hospital, 151, Lt. P.N. Kotnis Road, Mahim (w), Mumbai- 400016 Tel: +91 - 22 - 40280400/450 Fax: +91 - 22 - 24460335 Email: mbd@ajcon.net Website: www.ajcononline.com Contact Person: Abhishek Mishra SEBI Regn. No.: INM 000011864
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REGISTRAR TO THE ISSUE

	Beetal Financial & Computer Services Private Limited Beetal House', 3 rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110 062 Tel: +91-11-2996 1281-83 Fax: +91-11-2996 1284 E-mail: jes@beetalfinancial.com Website: www.beetalfinancial.com SEBI Regn. No.: INR 00000262 Contact Person: Mr. Puneet Mittal
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ISSUE OPENS ON:

[●]

ISSUE CLOSES ON:

[●]

TABLE OF CONTENTS	
TITLE	PAGE NO.
SECTION I: GENERAL	
DEFINITIONS AND ABBREVIATIONS	2
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	10
FORWARD LOOKING STATEMENTS	11
SECTION II: RISK FACTORS	12
SECTION III: INTRODUCTION	
SUMMARY OF INDUSTRY	23
SUMMARY OF BUSINESS OVERVIEW	25
SUMMARY OF FINANCIAL INFORMATION	28
BRIEF DETAILS OF THE ISSUE	31
GENERAL INFORMATION	32
CAPITAL STRUCTURE	38
SECTION IV: PARTICULARS OF THE ISSUE	
OBJECTS OF THE ISSUE	49
BASIC TERMS OF THE ISSUE	60
BASIS OF ISSUE PRICE	61
STATEMENT OF TAX BENEFITS	63
SECTION V: ABOUT THE COMPANY	
INDUSTRY OVERVIEW	69
BUSINESS OVERVIEW	82
KEY INDUSTRY REGULATIONS AND POLICIES	103
HISTORY AND CORPORATE STRUCTURE	109
OUR MANAGEMENT	114
OUR PROMOTERS AND PROMOTER GROUP	129
CURRENCY OF PRESENTATION	133
DIVIDEND POLICY	134
SECTION VI: FINANCIAL STATEMENTS	
FINANCIAL INFORMATION- AUDITORS' REPORT	135
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OPERATIONS	148
SECTION VII: LEGAL AND OTHER INFORMATION	
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	152
GOVERNMENT APPROVALS	154
SECTION VIII: REGULATORY AND STATUTORY DISCLOSURES	156
SECTION IX: ISSUE INFORMATION	
TERMS OF THE ISSUE	167
ISSUE STRUCTURE	171
ISSUE PROCEDURE	173
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	191
SECTION X: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION	192
SECTION XI: OTHER INFORMATION	
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	217
DECLARATION	219

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Draft Prospectus and references to any statute or regulations or policies shall include amendments thereto, from time to time:

Term	Description
"Jointeca Education Solutions Limited", "Jointeca Education", "JESL", "The Company", "Our Company", "We", "Us", "Our", or "The Issuer"	Unless the context otherwise requires, refers to Jointeca Education Solutions Limited, a Company incorporated under the Companies Act, 1956 vide a certificate of incorporation issued by the Registrar of Companies, Uttar Pradesh and Uttarakhand, Kanpur.

Company Related Terms

Term	Description
Articles or Articles of Association or AoA or our Articles	The Articles of Association of our Company, as amended from time to time
Board / Board of Directors / Directors / Our Board	Board of Directors of our Company duly constituted from time to time, including any committee thereof
Companies Act	The Companies Act, 1956, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Memorandum, Our Memorandum or Memorandum of Association or MoA	The Memorandum of Association of our Company, as amended from time to time
Promoters	Mr. Vishal Mishra, Mrs. Laxmi Agrawal and Mr. Abhay Gautam
Registered Office of our Company	1014, Bagh Bahadur Chowki Colony, Near SBI Crossing, Mathura – 281 001, Uttar Pradesh, India
RoC / Registrar of Companies, Kanpur	The Registrar of Companies, Uttar Pradesh and Uttarakhand, Kanpur
Statutory Auditor	The Statutory Auditor of our Company, being, M/s. J.P. Associates, Chartered Accountants
Stock Exchange	Unless the context requires otherwise, refers to the BSE Limited

Issue Related Terms / Abbreviation

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The form in terms of which the applicant shall apply for the Equity Shares of the Company
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	A successful applicant to whom the Equity Shares are being / have been issued
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by all Applicants to make an Application authorising SCSBs to block the Application

	Amount in their specified bank account maintained with the SCSB
ASBA Account	Account maintained with a SCSB' which will be blocked by such SCSB's to the extent of the appropriate Bid Amount of the ASBA Bidder, as specified in the ASBA Bid Cum Application Form
ASBA Bid cum Application Form / ASBA Form	<p>The form, whether physical or electronic, used by an ASBA Bidder to submit a Bid, which contains an authorisation to block the Bid Amount in an ASBA Account and would be considered as an application for Allotment to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus</p> <p>Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Bid cum Application Forms shall be made available for download from the respective websites of the Stock Exchange(s).</p>
ASBA Bidder(s)	<p>Any prospective investor(s) in this Issue who Bid/ apply through the ASBA process.</p> <p>Pursuant to SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011, non-retail Investors <i>i.e.</i>, QIBs and Non-Institutional Investors participating in this Issue are required to mandatory use the ASBA facility to submit their Bids</p>
ASBA Revision Form	The form, whether physical or electronic, used by an ASBA Bidder to modify the quantity of Equity Shares or the Bid Amount in any of his/her ASBA Bid cum Application Form or any previous ASBA Revision Form(s) Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Revision Forms shall be made available for download from the respective websites of the Stock Exchange(s)
Bankers to the Company	<ol style="list-style-type: none"> 1. Andhra Bank, Mathura 2. HDFC Bank, Mathura 3. State Bank of India, Mathura
Banker(s) to the Issue	[•]
Basis of Allotment / Basis of Allocation	The basis on which Equity Shares will be Allotted / Allocated to successful Bidders pursuant to the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page no. 173 of the Draft Red Herring Prospectus
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form and payable by a Bidder on submission of a Bid in the Issue and in case of ASBA Bidders, the amount mentioned in the ASBA Bid-cum-Application Form
Bid cum Application Form	The form used by a Bidder to make a Bid including the ASBA Bid-cum-Application Form (as applicable), which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
Bid(s)	An indication to make an offer during the Bid / Issue Period by the Bidders, pursuant to submission of the Bid-cum-Application Form or ASBA Form as the case may be, to subscribe to the Equity Shares of our Company in this Issue at a price within the Price Band, including all revisions and modifications if any, made to such Bid(s).
Bid / Issue Period	The period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, both days inclusive, during which prospective Bidders and the ASBA Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form including an ASBA Bidder who Bids through an ASBA Bid-cum-Application Form.

Lead Manager/LM	Lead Manager to the Issue. In this case being Ajcon Global Services Limited.
BSE	BSE Limited
CAN	Confirmation of Allocation Note
Compliance Officer	The Company Secretary of our Company, being Ms. Tulsi Sharma
Controlling Branches	Such branches of the SCSBs which coordinate under this Issue by the ASBA Bidders with the BRLM, the Registrar to the Issue and the Stock Exchanges, a list of which is available at http://www.sebi.gov.in/pmd/scsb.html
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branch	Such branches of the SCSBs which shall collect the ASBA Bid-cum-Application Form used by ASBA Bidders, a list of which is available at http://www.sebi.gov.in/pmd/scsb.html .
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the Refund Account, as appropriate, or the amount blocked by the SCSBs is transferred from the ASBA Account specified by the ASBA Bidder to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders.
Designated Stock Exchange	The SME Exchange Platform of BSE Limited.
DP ID	Depository Participant's Identity
Eligible NRIs	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 Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
ECS	Electronic Clearing Services
Employees	Permanent Employees of Jointeca Education Solutions Limited as on March 31, 2012.
Escrow Account	Account opened / to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue and at which bank(s) the Escrow Account of the Company will be opened
FCNR Account	Foreign Currency Non-Resident Account
First / Sole Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form or the ASBA Bid cum Application Form or ASBA Revision Form.
FIIs	Foreign Institutional Investors
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalised and below which no Bids will be accepted
FVCIs	Foreign Venture Capital Investors
IPO	Initial Public Offering
Issue / Issue Size / Initial Public Offer	The Public Issue of 35,68,700 Equity Shares of ₹ 10/- each at ₹. 15 (including share premium of ₹. 5/- per Equity Share) aggregating to

	₹ 5,35,30,500/- (Rupees Five crore Thirty Five Lacs Thirity Thousand and Five Hundred only) by Jointeca Education Solutions Limited. The Face Value of the share is ₹ 10/- each and the Issue price is ₹ 15/- (1.5 times of the Face Value).
Issue Period	The Issue period shall be [●] being the Issue Opening Date to [●] being Issue Closing Date
Issue Price	The final price at which the Equity Shares are being issued by our Company in this Draft Prospectus, in this case being ₹ 15/-
Issue Proceeds	The proceeds of the Issue that would be available to our Company after receipt of final listing and trading approvals
LM / Lead Manager	Lead Manager to the Issue, in this case being Ajcon Global Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE for listing its shares on the SME Platform of BSE
Market Maker	A market maker is a Company, or an individual, that quotes both a buy and a sell price in a financial instrument or commodity held in inventory, hoping to make a profit on the bid-offer spread, or turn. Market makers are net sellers of an option to be adversely selected at a premium proportional to the trading range at which they are willing to provide liquidity.
Market Maker Reservation Portion	The Reserved portion of 3,60,000 Equity Shares of ₹. 10 each at ₹. 15/- (including share premium of ₹. 5/-) per Equity share aggregating to ₹. 54,00,000 (Rupees Fifty Four Lacs only) for designated Market Maker in the Initial Public Offer of Jointeca Education Solutions Limited.
Memorandum of Understanding	The memorandum of understanding dated June 15, 2012 entered into by our Company and the BRLM, pursuant to which certain arrangements are agreed to, in relation to the Issue
MICR Code	Magnetic Ink Character Recognition Code
NECS	National Electronic Clearing Service
NEFT	National Electronic Funds Transfer
Net Issue	The Issue (excluding the Market Maker Reservation portion) of 32,08,700 Equity shares of ₹ 10/- each at ₹ 15/- (including share premium of ₹ 5/-) per Equity Share aggregating to ₹ 4,81,30,500/- (Rupees Four Crore Eighty One Lac Thirity Thousand Five Hundred Only) by Jointeca Education Solutions Limited
NRI(s) / Non Resident Indian	A "person resident outside India", as defined under FEMA and who is a citizen of India or is a person of Indian origin (as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended).
OCB(s) / Overseas Corporate Body	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue price, the size of the issue and other information
Public Issue Account	Account opened with the Bankers to the Issue by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Mutual Funds registered with SEBI, Venture Capital Fund and Foreign Venture Capital Investor registered with SEBI; a foreign institutional

	investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; a Public Financial Institution as defined in section 4A of the Companies Act, 1956; a Scheduled Commercial Bank; a Multilateral and Bilateral Development Financial Institution; State Industrial Development Corporation; Insurance Companies registered with the Insurance Regulatory and Development Authority; a Provident Fund with minimum corpus of twenty five crore rupees; a Pension Fund with minimum corpus of twenty five crore rupees; 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 army, navy or air force of the Union of India, Insurance Funds set up and managed by the Department of Posts in India."
Refund Account	Account opened with an Escrow Collection Bank from which the refunds of the whole or part of the Application amount (excluding ASBA Applicants), if any shall be made
Refund Bank	[•]
Refund through electronic transfer of funds	Refunds through Electronic transfer of funds means Refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA Process as applicable
Registrar / Registrar to the Issue	Registrar to the Issue being Beetal Financial and Computer Services Private Limited
Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
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)
RTGS	Real Time Gross Settlement
SCSB	Self Certified Syndicate Bank
SME Platform of BSE/ SME Exchange/ BSE SME	The SME Platform of BSE which was approved by SEBI as an SME Exchange on September 27, 2011 for listing of the Equity Shares offered under Chapter XB of SEBI (ICDR) Regulations, 2009.
Specified Cities	Cities as specified in the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda, Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
Syndicate	Jointly, the BRLM, the Syndicate Members and the Sub Syndicate Members
Syndicate Agreement	The agreement to be entered into between the BRLM along with the Syndicate Members and our Company in relation to the collection of Bids (excluding Bids by ASBA Bidders) in this Issue.
Transaction Registration Slip / TRS	The slip or document issued by member of the Syndicate or the SCSBs (only on demand), as the case may be, to the Bidder as proof of registration of the Bid.
Underwriters	The LM and the Syndicate Members
Underwriting Agreement	The Agreement among the underwriters and our Company to be entered into on or after the pricing date.
Working Day	All days other than a Sunday or a public holiday (except during the Issue Period where a working day means all days other than a Saturday, Sunday or a public holiday), on which commercial banks in Mumbai are open for business

Conventional / General Terms / Abbreviation

Term	Description
A/c	Account
Act/ Companies Act	The Companies Act, 1956, as amended
AGM	Annual General Meeting
AMC	Annual Maintenance Contracts
ASP	Active Server Pages
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
B2B	Business to Business
BOOT	Build Own Operate Transfer
BV	Book Value
CAGR	Compounded Annual Growth Rate
CAPEX	Capital Expenditure
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CROSS	Client Relation and Order Supply System
DAV	Dayanand Anglo Vedic
DBA	Database Administrator
DVD	Digital Versatile Disc
EGM	Extraordinary General Meeting
Engg.	Engineering
EPF	Employees Provident Fund
EPS	Earnings per Share
ESI	Employees State Insurance
FAST	Facilitated Application Specification Technique
FDI	Foreign Direct Investment
Financial Year/ Fiscal/ FY	The period of twelve (12) months ended March 31 of that particular year.
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000 and amendments thereto
GCC	Gulf Cooperation Council
GIR	General Index Registry Number
GOI/Government	Government of India
HOD	Head of Department
HR	Human Resource
HTML	Hyper Text Markup Language
ICT	Information and Communications Technology
IFRS	International Financial Reporting Standard
Indian GAAP	Generally Accepted Accounting Principles in India
ISO	International Organization for Standardization
I.T. Act	Income Tax Act, 1961 as amended from time to time
IVRS	Interactive Voice Response System
KVP	Kisan Vikas Patra
LLC	Limited Liability Company
Ltd.	Limited
MD	Managing Director
MIS	Management Information System
Mgmt.	Management
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company

Term	Description
NA	Not Applicable
NAV	Net Asset Value
NBFCs	Non Banking Financial Companies
NOC	No Objection Certificate
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident indian
NRE Account	Non-Resident External Account
NRI / Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
NRO Account	Non-Resident Ordinary Account
NSC	National Savings Certificate
NSDL	National Securities Depository Limited
Overseas Corporate Body/ OCB	"Overseas Corporate Body" (OCB) means a Company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trust, in which not less than 60% beneficial interest is held by NRIs directly or indirectly but irrevocably as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. OCBs are not allowed to participate in this Issue.
PAN	Permanent Account Number
PAT	Profit After Tax
Person(s)	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires
P/E Ratio	Price Earning Ratio
Post Office RDs	Post Office Recurring Deposits
PPF	Public Provident Fund
Qty.	Quantity
Quarter	A period of three consecutive months
R&D	Research and Development
RBI	Reserve Bank of India
RDBMS	Relational Database Management System
RFID	Radio Frequency Identification
Rs. / ₹	Indian Rupees, the official currency of the Republic of India
RONW	Return on Net Worth
SAS	Small Savings Agent Software
SBI	State Bank of India
SCADA	Supervisory Control and Data Acquisition
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, including instructions and clarifications issued by

Term	Description
	SEBI from time to time.
Sq.ft.	Square feet
SQL	Structured Query Language
SSA	Sarva Shiksha Abhiyan
STT	Securities Transaction Tax
VBA	Visual Basic for Application
VB	Visual Basic
UAE	United Arab Emirates
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
UID	Unique Identification Number
UPS	Uninterruptible Power Supply

Industry Related Terms and Abbreviations

Term	Description
AICTE	All India Council for Technical Education
ASSOCHAM	Associated Chambers of Commerce and Industry
BCI	Bar Council of India
BFSI	Banking Financial Services and Insurance
CCH	Central Council of Homeopathy
CCIM	Central Council for Indian Medicine
CSRC	Computer Security Resource Center
DCI	Dental Council of India
EAC	Economic Advisory Council
ERP	Enterprise Resource Planning
FY	Financial Year
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
HMCT	Hotel Management & Catering Technology
ICAR	Indian Council for Agricultural Research
INC	Indian Nursing Council
IT-ITes	Information Technology-Information Technology Enabled Services
MCA	Masters of Computer Applications
MCI	Medical Council of India
MOSPI	Ministry of Statistics and Programme Implementation
NBA	National Board of Accreditation
NCERT	National Council of Educational Research and Training
NCTE	National Council for Teacher Education
NIST	National Institute of Standards and Technology
PCI	Pharmacy Council of India
PDA	Personal Digital Assistant
PhD	Doctor of Philosophy
SaaS	Software as a Service
PaaS	Cloud Platform as a Service
IaaS	Infrastructure as a Service
UGC	University Grants Commission
UNSTATS	United Nations Statistics Division
USD	United States Dollar

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Draft 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 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 months period ended on March 31 of that year.

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 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 Prospectus should accordingly be limited.

In this Draft 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"* and *"Business Overview"* beginning on page number 12 and 82 in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP.

Industry and Market Data

Unless stated otherwise, market and industry data used in this Draft 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 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 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.

FORWARD-LOOKING STATEMENTS

This Draft 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:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industry in which we operate;
- Our ability to successfully implement the growth strategy , our growth and expansion, technological changes, our exposure to market risk that have an impact on our business activities or investments;
- Our ability to meet our capital expenditure requirements;
- Our ability to attract and retain qualified personnel;
- The performance of financial markets in India;
- Change in political and social conditions in India;
- The occurrence of natural disasters or calamities.

For further discussion of factors that could cause our actual results to differ, see the sections titled *"Risk Factors"*, *"Business Overview"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operation"* on page no. 12, 82 and 148 of this Draft 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 Lead Manager 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 Exchange.

SECTION II - RISK FACTORS

An investment in Equity shares involves a degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain, a complete understanding of our Company, you should read this section in conjunction with the sections titled "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. 82 and 148 of this Draft Prospectus as well as the other financial and statistical information contained in the Draft Prospectus. If the following risks occur, our business, results of operations and financial condition could suffer, and the price of the Equity Shares and the value of your investment in the Equity Shares could decline.

Materiality:

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

- a) Some events may not be material individually, but may be found material collectively.
- b) Some events may have material impact qualitatively instead of quantitatively.
- c) Some events may not be material at present but may have material impact in future.

The risk factors are as envisaged by the management along with the proposals to address the risk, if any. Wherever possible, the financial impact of the risk factors has been quantified.

INTERNAL RISK FACTORS

Internal Risks:

- 1. *The Company has taken over the running business of Jointeca Technologie for ₹. 585.00 Lacs under the slump sale agreement.***

The Company has taken over on the slump sale basis the running business of Jointeca Technologie which was a proprietary concern of Mr. Vishal Mishra, the Managing Director of the Company, for ₹. 585.00 lacs against which the Company issued 39,00,000 Equity Shares of ₹. 15/- per share to the said Mr. Vishal Mishra. As it was a slump sale based on the valuation of an independent valuer, we are not certain that whether the said consideration was reasonable or whether the same will yield adequate results for the Company.

- 2. *We depend on our brand recognition. Our ability to retain the present number of schools / colleges / universities / institutes serviced by us and attract new schools / colleges / universities / institutes depends upon various factors including our reputation and our ability to maintain a high level of quality of our products and services at competitive prices. Any failure by us to retain or attract schools / colleges / universities / institutes may impact our business and revenues.***

We believe that brand recognition is important for our business due to relatively low barriers of entry in our market. Our business heavily relies on our reputation as well as the quality and popularity of the products and services provided by us and our visibility and perception amongst schools / colleges / universities / institutes. We attempt to retain our position in the industry in which we operate and further build our reputation by maintaining quality and constantly striving to improve our value proposition to customers. As the market becomes increasingly competitive, maintaining and enhancing our brand will become critical to ensure that we continue to remain a competitive products and services provider relating to education solutions.

We have gained trust of our customers and have built up our reputation with time through our consistent endeavor to serve the needs of our customers in a timely manner and in the best possible way. It is important that we retain this trust placed by the schools / colleges / universities / institutes on the quality of our products & services. We must also continue to attract new colleges / universities / institutes and increase the number of colleges / universities / institutes serviced by us at a consistent rate.

Prospective clients gain awareness of our products and services through interactions with our existing clients. While we still believe that we have achieved reasonable scale in our business, any decrease in the number of colleges / universities / institutes which avail our products and services or delay in our expansion plans may lead to slowdown in our growth and scale. If our clients are consistently provided with inaccurate or outdated products and services, or are provided with sub-standard products and services, they may become dissatisfied with the quality of the products and services provided by us which may in turn dilute our branding and materially adversely affect our reputation and consequently our business.

Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our products and services by the colleges / universities / institutes or any negative publicity against us may adversely impact our ability to retain and attract new colleges / universities / institutes which shall consequently affect our brand reputation and consequently our business and results of operations.

3. Our Company does not own the Trademarks "Jointeca", "GuruSeva" and "Shiklo.in". In case our Company is not granted registration for the Trademark, our business and brand/reputation might suffer.

We do not own the Trademarks "GuruSeva", "Shiklo.in" and "Jointeca". We have filed the following applications for registration of the Trademark under the relevant provisions of the Trade Marks Act, 1999, which are still pending for approval before the Trade Marks Registry:

Sr. No.	Application No.	Date of Application	Trade Mark Name	Class in respect of which application has been made	Name of Applicant
1	02181419	July 27, 2011	GURUSEVA	42	Jointeca Solutions Private Limited
2	02181420	July 27, 2011	SHIKLO.IN	42	Jointeca Solutions Private Limited
3	02181421	July 27, 2011	JOINTECA	42	Jointeca Solutions Private Limited

We have applied for the registration of the above trademarks under which we carry on our business. These are pending as on the date of filing this Draft Prospectus. If the application towards Trademark registration is not approved or if the third parties challenge the validity or scope of this application, we may need to change our logo. In the event that the Company is not granted registration for the trademark or if the third parties challenge the validity or scope of this application, we may not have a strong recourse to legal proceedings to protect our trademark which could have an adverse effect on our business. For details on the classes under which the Trademark applications have been made and other details please refer to the section titled "Government Approvals" beginning on Page no. 154 of this Draft Prospectus.

4. ***Our Company has made an application for the registration of the Copyright "GURUSEVA" with the Government of India, Ministry of Human Resource Development, Department of Secondary Education & Higher Education Copyright Office, New Delhi. In case our Company is not granted registration for the same, our business operations might be affected***

We do not own the Copyright "**GuruSeva**". We have filed the following application for registration of the Copyright under the relevant provisions of the Indian Copyright Act, 1957 which are still pending for approval.

Sr. No.	Copyright	Diary No. & Date
1	GURUSEVA	15362/2011-col dated December 27, 2011

We have applied for registration of the Copyright "GURUSEVA" with the Government of India, Ministry of Human Resource Development, Department of Secondary Education & Higher Education Copyright Office, New Delhi vide Diary No. 15362/2011-col dated December 27, 2011. If the application towards Copyright registration is not approved or the third parties challenge the validity or scope of this application, our business operations might suffer. In the event that the Company is not granted registration for the Copyright or if the third parties challenge the validity or scope of this application, we may not have a strong recourse to legal proceedings to protect our copyright which could have an adverse effect on our business.

5. ***Our business involves installation of a large number of Computer Systems and other electronic equipments. Such electronic equipments are prone to hardware/software malfunction, virus attacks, hacking and technological obsolescence. If any such events occur, we run the risk of disruption of our operations***

Computer Systems are an integral part of our business and are prone to hardware/software malfunction, virus attacks, hacking and technological obsolescence. If any such events occur, we run the risk of disruption of our operations. To diminish this risk, we have our own service setup and all problems like malfunction and virus attacks are handled by our service team efficiently. Further, we have a team of computer engineers who look after any problems occurring in the computer systems or other electronic equipments at our Registered Office.

6. ***We are subjected to dependence on our senior management for implementing our growth strategies.***

Through this issue we propose to get listed on the SME Platform of BSE and further increase our asset base in order to take our Company to the next level of operational and financial strength. We will be severely dependent on our senior management ability to effectively implement our growth strategies. If our Senior Management disassociate from our Company for any reason or in the event of their getting incapacitated to remain actively involved with the Company in managing its affairs, our ability to maintain and grow our revenues could be adversely impacted. Financial impact of the aforesaid risk cannot be reasonably quantified.

7. ***We do not have the experience in setting up Cloud computing infrastructure for schools / colleges / universities / institutes.***

We have earmarked certain portion of issue proceeds to set up Cloud computing infrastructure. We do not have significant prior experience in this business. We have yet to enter into definitive agreements in this regard and have yet to acquire the machines, software, other peripherals and infrastructural requirements, etc. necessary for setting up Cloud computing infrastructure. In the event, that we are unable to secure definitive agreements and acquire machines, software, other peripherals and infrastructural requirements, etc. under terms acceptable to us in a timely manner or at all, we may not be able to develop / set up cloud computing infrastructure for the schools, colleges / universities / institutes and our business, financial condition and results of operation could be adversely affected.

8. Our Company might face risks related to investments in new initiatives where sufficient market intelligence may not be available

We might not have any established markets for our new initiatives such as Online Education on our B2B Educational portal. We may not be guaranteed of obtaining any sustainable revenue or profits. Hence we are exposed to the risks of investing money in such new initiatives.

9. Our Company is in the business of providing Educational Solutions through our product GuruSeva and Online Education through B2B Educational Portal. Hence we bear the risk related to defaults in payment by customers

We are exposed to the risks of payment defaults by schools, colleges, universities who are our primary customers in the business of GuruSeva (ERP Educational Solutions) and risk of payment defaults by students in the business of Online Education through B2B Educational Portal. The default in payments or delay in receipt of payments may adversely affect our financial position.

10. Our Promoters and the members of our Promoter Group will continue to retain significant control in our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control

After the completion of this Issue, our Promoters and Promoter Group will continue to hold 64.32% of the paid up Equity Share capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and members of our Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour. If our Promoters sell a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline.

11. Our Company does not own the premises at which our Registered Office is located and hence any problem relating to the renewal of the 3 years lease of property/premise may lead to temporary relocation, as a result of which the operations of the business may be affected.

Our Company does not own the premises at which our Registered Office is located. We have lease arrangement with a third party and pay rent for the occupation of the premises. These leases may be renewed subject to mutual consent of the lessor and the Company. In the event that the lessor requires us to vacate the premises, we will have to seek new premises at short notice and for a price that may be higher than the price we are currently paying which could affect our ability to conduct business or increase our operating costs.

Further, we plan to acquire a property in Agra to construct a New Office and Development Centre, for which we have already paid an advance of ₹. 60.00 lacs for acquisition of the property and ₹. 27.00 lacs for construction. Following key factors could affect our said plans;

Since we have not identified any alternate sources of funding, the said project, any failure or delay on our part, to pay the same, may delay the said project. In case of failure to arrange the balance amount, as per the terms of the agreement, though we may get the principal amount back, we might lose the interest on the said advance. We cannot assure the completion of the said project of setting up a New Office and Development Centre.

12. Certain agreements may not be adequately stamped and have not been registered as a result of which our operations may be impaired.

Certain of our agreements, including, but not limited to, business takeover agreement may not have been adequately stamped or registered under Indian Stamp laws. In the event of any such irregularity, we may not be able to enforce our rights under such agreements, businesses or properties in the event of a dispute with a third party. *We might face financial demand from the respective authorities in this regard, the amount whereof is not ascertainable.*

13. The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our proposed expenditure and may have a bearing on our expected revenues and earnings

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. Our estimates for the proposed expenditure may exceed the value that would have been determined by third party appraisals and may require us to reschedule our proposed expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

14. Any delay in the Schedule of Implementation might have an adverse impact on our profitability

Our Schedule of Implementation is exposed to various risks including time and cost overrun due to various reasons including those which may be beyond our control. In case any such event occurs, it might delay our schedule of implementation and additional cost might have to be incurred by us. As a result, we may not be able to execute our business plan in line with the demand from the IT industry. Such time and cost overrun may adversely impact our profitability.

We have given advances amounting to ₹. 140.56 lacs (constituting 22.83% of the total project) to the suppliers of equipments, as mentioned in the Objects of the Issue detailed on page no 49.

15. Our proposed expansion plans are financially dependent on the Issue proceeds. Any delay in raising the same may result in escalation of project cost thereby impacting the operations and financials of our Company

Our proposed expansion plans are dependent on the proceeds of this Issue. We have not arranged for any alternate source of funding the major part of the project. Any delay in the proposed Issue may increase the project cost and also result in delay in project implementation. This may adversely affect our operations and profitability.

16. As our Company is in the process of expansion, we may require excessive working capital. If there is any shortfall in our internal accruals or inability to raise borrowings from banks, it might adversely affect our operations

Our business requires excessive working capital. We meet our working capital requirements through internal accruals. Any shortfall in our internal accruals and our inability to raise borrowings from banks would result in our Company being unable to meet our working capital

requirements, which in turn will negatively affect our financial condition and results of operations.

17. Our Insurance Cover may not adequately protect us against all material hazards.

Our Company's operations are subject to inherent risks involved in Education solutions business, such as loss by fire, damage through earthquake, burglary, accidents and other natural disaster. In addition, many of these operating and other risks may cause severe damage to our assets and may result in suspension of operations. We have insured Vehicles, Furniture, Fixtures and Fittings, Electrical installations and Computers of our Registered Office under various Insurance Policies. Our Insurance policies might not cover all risks and are subject to exclusions and deductibles. If our Registered Office is damaged in whole or in part and our operations are interrupted for a sustained period, there can be no assurance that our Insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption or the costs of repairing or replacing the damaged facilities. Further, there is no assurance that the insurance premiums payable by us will be commercially viable or justifiable. Our inability to procure and/or maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability.

For further details please refer to the section "Business Overview" on Page no. 82 of this Draft Prospectus.

18. We have not appointed any Independent Agency for monitoring of utilization of Issue proceeds and the same shall be deployed entirely by us.

Since this Issue Size does not exceed ₹. 500.00 crores, there is no requirement of appointing a Monitoring Agency for overseeing the deployment of funds raised from this issue. The deployment of the funds towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our audit committee.

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

Our ability to pay dividends in future will depend upon the earnings, financial condition, cash flow, working capital requirements and capital expenditure. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot guarantee our ability to pay dividends.

20. We had negative cash flows from Operating activities for the period ended March 31, 2012. Any negative cash flow in future could affect our operations and financial conditions.

We have negative cash flow from our operating and investing activities for the period ended March 31, 2012, details of which are as under:

Particulars	Period ended March 31' 2012 (₹ in Lacs)
Cash Flow from Operating Activities	(374.19)
Cash Flow from Investing Activities	(566.69)

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

21. There are certain audit qualifications in the auditors report for the financial year ended March 31, 2012.

Our Auditor have qualified that the Company is not regular in depositing with appropriate authorities undisputed statutory dues and have observed some delays in depositing the said

dues. There may be some penalties including monetary, which though may be nominal, are not ascertainable at this stage. The Company has not paid advance income tax of ₹. 1.29 Lacs and has not deposited TDS of ₹. 0.55 lacs. There may be some interest liability for such non payment/delayed payment of tax.

Risks associated with the Equity Shares

1. *After this Issue, the Equity Shares of our Company may experience price and volume fluctuations or an active trading market for the Equity Shares may not develop.*

The price of our Equity shares may fluctuate after this Issue as a result of several factors, including, among other things, volatility in the Indian and global securities markets, the results of our operations and performance, developments in the industry in which we operate and changing perceptions in the market about participation in this sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal regulations. There has been no public market for our Equity Shares and an active trading market for the Equity Shares may not develop or be sustained after this Issue. Further, the price at which the Equity Shares are initially traded may not correspond to the Issue Price. The share prices of companies participating in business assets can fluctuate significantly, which subjects an investment in the Equity Shares to substantial volatility.

2. *Additional issuances of equity may dilute investors' holdings.*

Any future issuance of our Equity Shares or securities linked to our Equity Shares may dilute investors' shareholding in our Company. Any issuance of Equity Shares may dilute the holdings of our existing shareholders. After the completion of the Issue, our Promoters and members of the Promoter Group will own, directly and indirectly, approximately 64.31% of our outstanding Equity Shares. Sales of a large number of our Equity Shares by our Promoters and the members of the Promoter Group could adversely affect the market price of our Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of our Equity Shares.

3. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws and regulations, Capital gains arising from the sale of Equity shares in an Indian Company are generally taxable in India. Any gain realized on the sale of listed Equity shares on a Stock Exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic Stock Exchange on which the Equity shares are sold. Any gain realized on the sale of Equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized Stock exchange and on which no STT has been paid, will be subject to Long Term Capital Gains tax in India. Further, any gain realized on the sale of listed Equity shares held for a period of 12 months or less will be subject to Short Term Capital Gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

4. *The Equity Shares issued pursuant to the Issue may not be listed on the SME Platform of BSE Limited in a timely manner, or at all.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issue of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on the SME Platform of BSE Limited. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares.

EXTERNAL RISK FACTORS

1. Any changes in the regulatory framework could adversely affect our operations and growth prospects

We are subject to various regulations and policies. For details see section titled “Key Industry Regulations and Policies” beginning on Page no. 103 of this Draft Prospectus. 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 we 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.

2. Government policies have a bearing on the performance of our Company.

The performance of our Company depends to a large extent upon the Government Policies on education. Any change in government policies or reallocation of the government budget away from education services could impact our business prospects.

3. Any changes made by the Government in Education curriculum could affect our business operations.

Our product is closely linked to the prevailing education curriculum and systems. If changes take place in the education system, our product may need substantial change or it might be rendered obsolete.

4. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the educational services and Information Technology sector contained in the Draft Prospectus.

While facts and other statistics in the Draft Prospectus relating to India, the Indian economy and the educational services and Information Technology sector has been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisers and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the section titled “Industry Overview” beginning on Page no. 69 of this Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

5. 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.

6. Terrorist attacks and other acts of violence or war involving India or other countries could adversely affect the financial markets, result in loss of client confidence, and adversely affect our business, financial condition and results of operations.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as terrorist attacks, other incidents and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

7. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.*

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Monsoon this year has been below normal thus far, and this has led to several districts in the country being declared rainfall deficient and drought-prone, and this is expected to lead to a drop in agricultural production. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operation as well as the price of the Equity Shares.

8. *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 SME Exchange for the Equity Shares to be admitted to trading on the BSE SME Exchange. 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.

9. *Any disruption in the supply of power, IT infrastructure, telecom lines and disruption in internet connectivity could disrupt our business process or subject us to additional costs.*

Any disruption in basic infrastructure or the failure of the Government to improve the existing infrastructure facilities could negatively impact our business since we may not be able to provide timely or adequate services to our clients. We do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, IT infrastructure, internet connectivity or telecom lines is disrupted. This may result in the loss of a client, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations and could lead to decline in the price of our Equity Shares.

Prominent Notes

1. It is a Public Issue of 35,68,700 Equity Shares of ₹ 10/- each for cash at a price of ₹. 15/- per Equity share, aggregating to ₹. 535.30 lacs (The "Issue"). The Issue would constitute 35.69% of the fully diluted post issue paid-up capital of the Company.
2. Investors may contact the LM or the Compliance Officer for any complaints / clarification / information pertaining to this Issue. For contact details of the LM and the Compliance Officer, please refer to the Cover Page of this Draft Prospectus.
3. The Net worth of our Company as per Restated Standalone Financial Statements was ₹ 962.63 lacs for the period ended March 31, 2012. The Book value of each Equity share was ₹ 14.97 for the period ended March 31, 2012. For more information, please see the section titled "*Financial Information*" beginning on Page no. 135 of this Draft Prospectus.
4. There has been an issue of 39,00,000 shares for consideration other than cash on November 10, 2011 in lieu of the takeover of the business assets of the Sole proprietorship concern, Jointeca Technologie on slump sale basis.
5. The average cost of acquisition of Equity Shares by our Promoters is as follows:

(In ₹)	
Name of Promoters	Average Cost of Acquisition
Vishal Mishra	14.99
Laxmi Agrawal	15.00
Abhay Gautam	15.00

6. Except as disclosed in the chapters titled "Capital Structure", "Our Management *Our Promoters and Promoter Group*" and "*Related Party Transactions*" on page nos. 38, 114, 129 and 142 respectively of this Draft Prospectus, none of our Promoters, Directors, Key Managerial Personnel have any business or other interest, other than to the extent of equity shares held by them and to the extent of the benefits arising out of such shareholding.
7. Our Company has entered into Related Party Transactions aggregating to ₹. 943.55 lacs (including ₹. 941.44 towards issue of Share Capital) for the period ended March 31, 2012, as per Restated Audited Financial Statements, for further details of Related Party Transactions, please refer to "Annexure IV" under the section titled "*Auditors Report – Related Party Disclosures*" on page no. 142 of this Draft Prospectus.
8. The Company was originally incorporated as "*Jointeca Software Solutions Private Limited*" on May 24, 2011 under the Companies Act, 1956. The name of the Company was changed to "*Jointeca Education Solutions Private Limited*" pursuant to a special resolution passed at the Extraordinary General Meeting held on August 01, 2011. Pursuant to conversion of the Company from Private Limited to Public Limited, the name of the Company was changed to "*Jointeca Education Solutions Limited*" and a fresh certificate of incorporation consequent to change in name was obtained on December 13, 2011. (For further details related to change in the name of our Company, please refer to the section titled "*History and Corporate Structure*" beginning on Page no. 109 of this Draft Prospectus)
9. There has been no financing arrangement whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of business of the financing entity during the period of six (6) months immediately preceding the date of filing of the Draft Prospectus with BSE SME Exchange.

10. Our Company and the Lead Manager shall update the Draft Prospectus in accordance with the Companies Act, 1956 and SEBI (ICDR) Regulations, 2009 and our Company and the Lead Manager will keep the public informed of any material changes relating to our Company till the listing of our Equity shares on the SME Platform of BSE.
11. All information shall be made available by the Lead Manager and our Company to the public and investors at large and no selective or additional information would be available only to a section of investors in any manner whatsoever.
12. 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 (6) months except as mentioned under "*Capital Structure*" beginning on page no. 38 of this Draft Prospectus.
13. Investors are advised to go through the paragraph on "*Basis of Allotment*" beginning on page no. 179 of this Draft Prospectus.
14. Except as disclosed in the section titled "*Capital Structure*" on Page no. 38 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
15. Investors may note that in the event of over-subscription in this Issue, allotment shall be made as set out in paragraph titled "*Basis of Allotment*" beginning on Page No. 179 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. SME Platform of BSE. The Registrar to the Issue shall be responsible to ensure that the Basis of Allotment is finalized in a fair and proper manner as set out therein.
16. Investors are advised to refer to the chapter titled "*Basis of Issue Price*" on Page no. 61 of this Draft Prospectus.
17. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
18. No part of the Issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associate or Promoter Group entities.

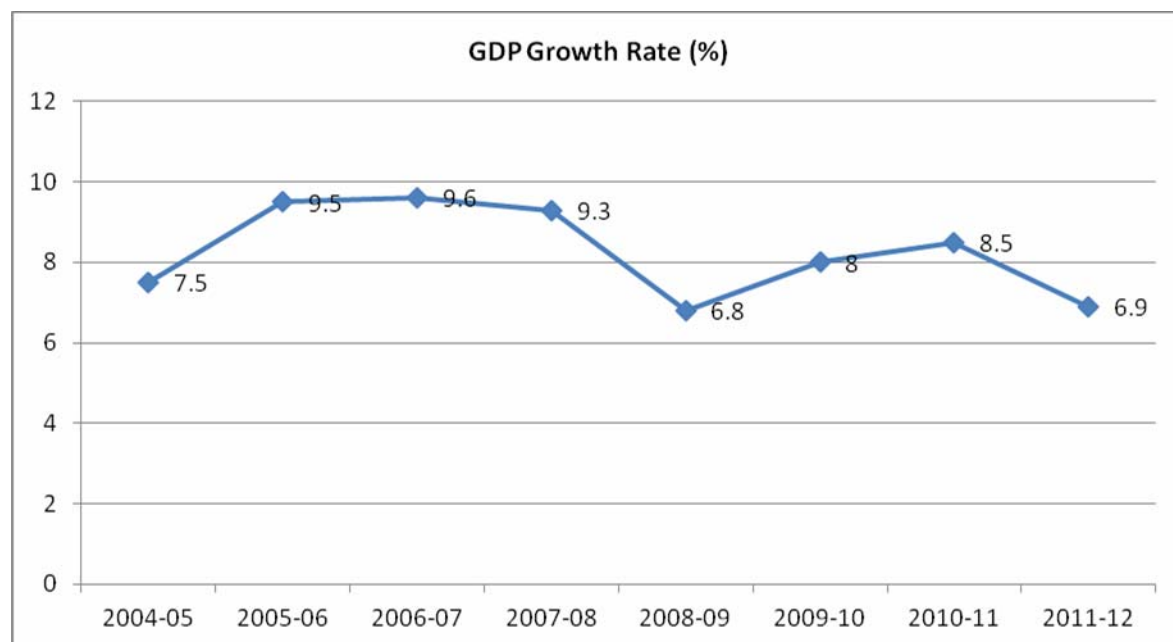
SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

INDUSTRY OVERVIEW

Review of Indian Economy

Indian economy has registered a growth of 6.9 percent in FY 2011-12, against 8.5 percent in 2010-11. The downward revision in the GDP growth rate is based on account of lower performance in mining & quarrying, manufacturing & trade, hotels, transport, & communication and finance, insurance, real estate & business services than anticipated. **(Source: MOSPI)**



(Source: MOSPI and Planning commission)

Indian economy remained affected by global factors. Globally, in FY12 threat of sovereign crisis in euro zone countries loomed throughout the year. Large scale liquidity infusions by the European Central Bank have significantly reduced the stress in global financial markets. However, a sustainable solution to the euro area debt problem is yet to emerge. Recent developments, for example in Spain, indicate that the euro area sovereign debt problem will continue to weigh on the global economy. To add to the woes, US economy is still not out of the woods but showing signs of modest recovery. Ratings downgrade has led to risk aversion in global investors. In addition, Middle East continued to remain in political uncertainty and fears of slowdown in China was felt. Political unrest in the Middle East and North African region resulted in Crude oil prices remaining high during the year.

Indian Education System

India with over 1 billion population has the second largest education system in the world. Education system in India is powered by public as well as private sector, with control and funding received from 3 levels: federal, state and local.

Among all the states in India on one hand we have Kerala with 93.9% literacy rate (2011 census) and on the other we have Bihar with only 63.8% literates (2011 census). But another fact of this situation is that this gap has improved significantly in last 10 years where the gap between literacy rates for two states has reduced from 43.9 percentage points (2001) to 30.1 percentage points (2011). The general rate of literacy in the country has climbed up from 64.8% in 2001 to 74.04% in 2011. However the government is still trying hard to achieve the target of 85% literacy as set out by planning commission to be achieved by year 2012

Indian Education Sector

The education industry in India can be broadly classified into the Regulated segment (K12 and higher education) and the Un-regulated segment (pre-school, multimedia, ICT, coaching cases, vocational training and books).

The expected market size of K-12 sector in 2012 (E) is US\$ 34 billion, as compared to US\$ 20 billion in 2008. The corresponding figures for the higher education sector are US\$ 10.3 billion in 2012 (E) as compared to US\$ 6.5 billion in 2008. The coaching institutes in India are expected to increase from US\$ 0.3 billion in 2008 to US\$ 0.6 billion in 2012 (E). Similarly, the Pre-schools market in the country is expected to clock a rise of 36 per cent from US\$ 0.3 billion to US\$ 1 billion and the vocational training from US\$ 1.6 billion to US\$ 4 billion in 2012 (E).

(Source: www.ibef.org/industry/educationtraining.aspx)

Growth Drivers of Indian Education Sector

During last 60 years, Indian literacy rate has grown steadily. This growth rate compounded with exponential growth in population of the country only indicates towards the exogenous and endogenous factors of growth that are at play in the country contributing to the growth of nation eventually. Some of these factors are as follows:

Increasing disposable income: Over the years, average household income in India and affordability levels has improved considerably. This evolvement of households from lower income to higher income bracket will provide an impetus to spend on education by private households.

Household spend on education: The National Accounts Statistics ("NAS") presents estimates on 'private final consumption expenditure in the domestic market' on education in current prices and also in constant prices. They are also available as a proportion of the total private final consumption expenditure. The 'private final consumption expenditure' on education is regarded as the household expenditure on education. As a proportion of the total household expenditure, the share of education increased from 0.6% in 1950-51 to 2.6% in 2007-08.

Government Impetus

Government impetus has been the driving force behind the growth in education sector as it is also the regulator for the same. It has came up with various programs like mid day scheme; education for all etc. to ensure education for all in the country.

The Eleventh Plan places greater emphasis on education as a central instrument for achieving rapid and inclusive growth by expanding access, improving quality and bridging regional, social and gender gaps at all levels of education. In the eleventh plan Indian government tried to expand, include and improve the quality of education throughout the higher and technical education system by enhancing public spending, encouraging private initiatives, and initiating the long overdue major institutional and policy reforms.

Cloud Computing

Cloud computing is a deployment model for applications that is used by organizations in order to reduce infrastructure costs and/or address capacity/scalability concerns. Effectively these organizations don't want to own the assets or to operate the system in their own data centers. It refers to buying results not assets (of course, it is still possible to own the intellectual property in the software and to have it operating in the cloud). In short, it refers to a pay-per-use model of computing where applications and software are accessed over the Internet and not owned by users. It helps companies to save huge costs as they do not have to invest heavily in IT infrastructure.

It is a new delivery method and choice available today for K-12 and Higher Education Enterprise Systems. It is a massively scalable, offsite infrastructure accessible on demand across the internet on a pay-per-use basis eliminating upfront investment costs. In this challenging economic environment, it enables institutions to drastically reduce their IT costs involved in automating their administrative and academic processes.

SUMMARY OF BUSINESS OVERVIEW

Our Company was incorporated in the year 2011 in Mathura in Uttar Pradesh, India. We offer Educational ERP solutions through our product GuruSeva and our business is concentrated mainly in the Northern Region of India. Our product GuruSeva (Educational ERP Solution) is offered both as a Desktop Application and as a service through the Software as a Service model (SaaS). The main Promoter, Mr. Vishal Mishra possesses an experience of 14 years in the business of providing Educational Solutions through his proprietary concern Jointeca.

PRODUCTS/SERVICES OFFERED BY JOINTECA

Products: - GURUSEVA (School Management System)

GuruSeva (Desktop Application)

GuruSeva (The Educational Management ERP Solution) is a modular solution that is developed on latest technology and running successfully through our dealer network. This not only empowers the management on the level of information processing and decision making but also has a low ownership cost and low operating cost.

GuruSeva (Educational Software) is designed and developed especially for different kinds of Educational institutions. This software provides interface with smart cards, RFID, bar code and biometrics. It includes up to 400 relevant reports and covers the following areas:

Configuration Management

Pre-Admission Management

Admission Management

Student Management

HR Management

Pay-roll Management

Time Table Management

Fee Management

Transport Management

Syllabus Management

House & Activity Management

Examination Management

Library Management

Time-Table Management

Financial Activities and Inventory Management

House Keeping Management

Infirmary

Front-Office

Home-work Management

Utilities

Users & Security

Session End Processing Management

GuruSeva (Software as a Service (SaaS) through Cloud Computing)

We are also delivering GuruSeva as a Service, wherein no huge setups are required by the client thus eliminating upfront hardware and software costs. Unlike traditional solutions that have heavy upfront costs and unpredictable expenses, GuruSeva (SaaS solution) is based on a flat fee per user, per month irrespective of the level of storage. GuruSeva (SaaS solution) is regularly updated and upgrades are automatic, seamless and provided without any additional charges. It also offloads the burden and complexity of keeping the servers, storage, software, databases, and backup systems and network up-and-running optimally throughout the year on a 24x7 basis and lets the user focus on more strategic initiatives for growing the business.

Services

- **B2B Educational Portal - (www.shiklo.in)**

We provide online education and home work solution for students through our Online Educational Portal www.shiklo.in. This solution is addressing the students not only at primary and secondary level but also at the professional level. After registration with us, students can get assistance throughout the year on a 24x7 basis on different subjects through our panel of highly skilled teachers and professors. Apart from this, students can also get assistance and guidance in choosing the right educational institution and career.

- **Content Management Solutions**

The content development team consists of experienced educationists from schools, colleges and industry environment who understand the usage of technology that increases the effectiveness of learning. The Content team has been divided into subject-wise departments headed by the concerned Head of the Department/HOD. The Content team consists of HOD, Subject Heads, Assistants, Quality Check Executives and Content Animator. These contents will be delivered through our well-established dealer network for our product GuruSeva in India as well as overseas market.

- **Customized Software Solutions**

We have a Customized Software services division, which provides right-sized business software solutions for the enterprise to meet their requirements. We provide ERP solutions for Manufacturing Industries, Hospitality Industries, Management Solutions, HR and Payroll solutions, as well as Database maintenance services, Reverse Engineering Solutions for Database Applications on a Low Risk Delivery Model consisting of both onsite and off-site models.

Our Competitive Strengths

1. **Qualified and Experienced management and a motivated employee base**

The top management possesses extensive functional experience in the IT Education Industry. The Key Managerial Personnel hold the requisite experience and knowledge to successfully manage Global Delivery Model specific to the business of IT Education.

2. Strong Technical Capabilities

We have the expertise to develop solutions with the probable combinations of various tools and technologies encompassing the following:

Operating System	Windows 98, Windows NT, Windows 2000, Windows XP, Windows 2003, Linux,
Language	JAVA, VB.NET, C#, C, C++
Data Base	Oracle, MS-SQL Server, Sybase, Informix, DB2, MySQL
Reporting Tools	MS SQL Server Reporting, Crystal Reports, BO Reports, Active Reports, IntelliView
Web Technologies	ASP.NET, ASP, JSP, HTML, DHTML, XML, VXML,
Web Servers	IIS, Apache & BEA Web logic Server, Java & IBM Web
ERP	SAP, Oracle Applications, CRM, SCM
Multimedia Tools	Flash, Dream weaver, Photoshop, CorelDraw,

3. Maintaining focus on Major Industry segments

Our current offerings are focused on major industry sectors like Educational Management Solutions, Healthcare services, Publication Houses, Student Networks and Workforce Management. We aim to provide complete end to end solution catering to these market segments. We believe that our comprehensive range of product and service offerings help our clients achieve their business objectives and enable us to obtain additional business from existing clients as well as address a larger base of potential new clients.

4. Our Quality process



Jointeca is committed to convert virtual into real solutions to the satisfaction of the customer by continually improving skills, system and technology.

5. Product & Services Mix

We have developed a strong product and services portfolio, which we intend to strengthen further. We would continue to leverage on this domain expertise as well as the product portfolio to offer comprehensive solutions to our customers.

SUMMARY OF FINANCIAL INFORMATION

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED		
		(₹-in Lacs)
Sl. No.	PARTICULARS	Period Ended 31.03.2012
A	Fixed Assets (Net)	
	Net Block	27.4
	Goodwill	518.85
	Intangible Assets	117.39
	Total Fixed Assets (A)	663.64
B	Current Assets, Loans & Advances	
	Inventories	0.00
	Sundry Debtors	55.41
	Cash & Bank Balance	23.32
	Other Current Assets	0.28
	Loans & Advances	227.56
	Total (B)	306.57
	Total Assets (A+B)	970.21
C	Liabilities & Provisions	
	Share Application Money Received	0.00
	Secured Loans	0.00
	Unsecured Loans	0.00
	Current Liabilities	4.97
	Provisions for Taxation	1.49
	Deferred Tax Liabilities (Net)	1.12
	Total Liabilities (C)	7.58
D	Net Worth (A+B-C)	962.63
E	Represented by	
	Share Capital	643.13
	Total (X)	643.13
	Reserves & Surplus	
	Securities Premium	321.07
	Profit & Loss	5.85
	Total (Y)	326.92
	Less: Miscellaneous Expenditure to the extent not written off	7.42
	Total (Z)	
	Net Worth (X+Y-Z)	962.63
Notes: Intangible Assets Includes Software Work In Progress		
Company is Incorporated in the current Financial year, hence no Last Years Figures		
The above statement should be read with the significant accounting policies and notes to accounts appearing in the section Financial Statements in Annexure IV and Annexure V		

SUMMARY STATEMENT OF PROFIT AND LOSS A/C AS RESTATED		
		(₹-in Lacs)
Sl. No.	PARTICULARS	Period Ended
		31.03.2012
A	Income	
	Sale	133.66
	Net Sales	133.66
	Add: Other Income	
	Total	133.66
B	Expenditure	
	Purchase	16.71
	Wages and Staff Costs	20.51
	Portal Development Expenses	9.47
	Other Manufacturing Expenses	13.41
	Administrative Expenses	43.98
	Total	104.08
C	Profit Before Interest, Depreciation and Tax	29.58
	Depreciation & written-off	21.12
D	Profit before Interest and Tax	8.46
	Financial Charges	
E	Profit after Interest and before Tax	8.46
	Pre. Expenses and def. expenses w/off	
F	Profit before Taxation	8.46
	Provision for Taxation	1.49
	Deferred Taxation Liabilities (Net)	1.12
	Add/Less :Adjustment for prior year	-
	Total	5.85
G	Profit After tax but before extra-ordinary items	-
	Extra-ordinary items	-
	Impact of material adjustments for restatements in	-
	corresponding years	-
H	Net Profit after Adjustments	5.85
	Balance brought forward from prior years	-
I	Profit available for Appropriation	5.85
	Utilised for issue of fully paid bouns shares	-
J	Balance of profit carried to Balance Sheet	5.85
Note:		
Company is Incorporated in the current financial year, hence no last years figures		
The above statement should be read with the significant accounting policies and notes to accounts appearing in the section Financial Statements in Annexure IV and Annexure V		

CASH FLOW STATEMENT AS RESTATED	
	(₹-in Lacs)
	Period Ended
PARTICULARS	31.03.2012
A. Cash Flow From Operating Activities	
Net Profit/(Loss) before Tax	5.85
Adjustments for-	-
Depreciation/Amortization	2.54
Goodwill Write off	17.89
Non-cash Expenses	-
Income Tax paid	-
Interest Received	-
Interest Payments	-
Operating Profit/(Loss) before Working Capital changes	26.28
Changes in Working Capital	-
(Increase/Decrease in Sundry Debtors	(55.41)
(Increase/Decrease in Loans & Advance	(227.56)
(Increase/Decrease in other Current assets	(117.66)
(Increase/Decrease in Sundry Creditors	-
(Increase/Decrease in Current Liabilities	7.58
(Increase/Decrease in Miscellaneous Expenditure	(7.42)
Cash generated from Operation	-
Net Cash Flow From/(Used In) Operating Activities	(374.19)
B. Cash Flow From Investing Activities	-
Purchase of Fixed Assets	(566.69)
Purchase of Investment	-
Interest Received	-
Net Cash Flow From Investing Activities	(566.69)
C. Cash Flow From Financing Activities	-
Increase/(Decrease) in Secured Loans	-
Increase/(Decrease) in Unsecured Loans	-
Increase in Equity Capital	643.13
Share Application Money Received Pending Allotment	-
Security premium receive	321.07
Net Cash Flow From Financing Activities	964.20
Net Cash In Flow/ (out Flow) (A+B+C)	23.32
Opening Balance of Cash and cash equivalents	-
Closing Balance of Cash and cash equivalents	
Components of Cash & Cash Equivalents at the end of the year	23.32
Cash in Hand	17.81
Balance in Scheduled Banks	5.51
in Current Accounts	23.32
in Fixed Deposit Accounts	-
The above statement should be read with the significant accounting policies and notes to accounts appearing in the section Financial Statements in Annexure IV and Annexure V	

BREIF DETAILS OF THE ISSUE

Present Issue in Terms of this Prospectus –Fixed Price Issue#	
Equity Shares Offered	35,68,700 Equity Shares of ₹. 10/- each for cash at a price of ₹. 15/- per share aggregating ₹ 535.30 Lacs
<i>Of which:</i>	
Issue Reserved for the Market Maker	3,60,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 15/- per share aggregating ₹ 54.00 Lacs
Net Issue to the Public	32,08,700 Equity Shares of ₹. 10/- each for cash at a price of ₹. 15/- per share aggregating ₹ 481.30 Lacs.
Equity Shares outstanding prior to the Issue	64,31,300 Equity Shares of ₹ 10/- each.
Equity Shares outstanding after the Issue	1,00,00,000 Equity Shares of ₹ 10/- each.
Objects of the Issue	Please refer to the Chapter titled “ <i>Objects of the Issue</i> ” on Page no.49 of this Draft Prospectus

This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “Issue Information” beginning on page no. 167 of this Draft Prospectus.

#As per Regulation 43 (4) of the SEBI (ICDR) Regulation, as amended, since ours a fixed price issue the allocation in the net offer to public category shall be made as follows:

- (a) Minimum fifty per cent. to retail individual investors; and
- (b) Remaining to:
 - (i) Individual applicants other than retail individual investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) The unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

GENERAL INFORMATION

Our Company was originally incorporated as “Jointeca Software Solutions Private Limited” on May 24, 2011 under the Companies Act, 1956 with the Registrar of Companies, Uttar Pradesh, Kanpur (“RoC”). The name of the Company was changed to “Jointeca Education Solutions Private Limited” on August 12, 2011 pursuant to change of name of the Company. Further, the name of the Company was changed to “Jointeca Education Solutions Limited” on conversion into a Public Limited Company and a fresh Certificate of Incorporation was obtained from RoC Kanpur, on December 13, 2011. For further details, please refer to the section titled “History and Corporate Structure” beginning on page no. 109 of this Draft Prospectus.

Registered Office	1014, Bagh Bahadur Chowki Colony, Near SBI Crossing, Mathura, Uttar Pradesh-281 001, India. Tel. No.: +91 0565 – 6000801, 2410128
Corporate Identity Number (CIN)	U72300UP2011PLC044942
Address of RoC	10/499-B, Allenganj, Khalasi Line, Kanpur, Uttar Pradesh - 208 002, India
Website	www.jointeca.com
E-mail	ipo@jointeca.com

Board of Directors

Our Board of Directors comprises the following:

Name of the Director	Designation	Status	Directors Identification Number (DIN)
Ramesh Chand Sharma	Chairman and Independent Director	Non-Executive and Independent Director	05115692
Vishal Mishra	Managing Director (Chief Executive Officer)	Executive & Non-Independent Director	03363363
Vivek Mishra	Whole Time Director (Business Development)	Non-Executive & Non-Independent Director	03562969
Alok Mittal	Whole Time Director (Operations)	Executive & Non-Independent Director	03404556
Umesh Chand Sharma	Whole Time Director (Technical)	Executive & Non-Independent Director	05147318
Hariom Prasad Agrawal	Director	Non Executive & Non Independent Director	03562889
Abhay Gautam	Director	Non Executive & Non Independent Director	03562892

Pradeep Kumar Saxena	Director	Non Executive & Independent Director	03563093
Neerav Nimesh Agarwal	Director	Non Executive & Independent Director	00500650

For further details and profile of our Directors, please refer to the section titled *"Our Management"* on page no. 114 of this Draft Prospectus.

Company Secretary & Compliance Officer

Our Company Secretary and Compliance Officer is Ms. Tulsi Sharma. The contact details are as follows:

1014, Bagh Bahadur Chowki Colony,

Near SBI Crossing, Mathura,

Uttar Pradesh - 281 001, India

Tel No.: +91-0565 – 6000801, 2410128

Fax No.: +91-0565 - 2410128

E-mail: tulsisharma@jointeca.com

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, application amount blocked on application, Bank Account Number and the Designated Branch or the collection centre of the SCSB where the application form was submitted by the ASBA applicants.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THE ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE		
Ajcon Global Services Limited 101, Samarth Industrial Estate, Off Hinduja Hospital, 151 Lt. P.N. Kotnis Road Mahim (w), Mumbai- 400016 Tel: +91 – 22 – 40280400 Fax: +91 – 22 – 24460335 Website: www.ajcononline.com E-mail: mbd@ajcon.net SEBI Regn. No. : INM 000011864 Contact Person: Abhishek Mishra		
LEGAL ADVISOR TO THE ISSUE		
M/s. Rajeev Goel and Associates Advocates & Corporate Advisors 138A, Pocket F, Mayur Vihar II, Delhi – 110 091 Tel: +91 - 11 - 2272 5301 Fax: +91 - 11 - 4301 2488 E - Mail: pkbharti@gmail.com Contact Person: Mr. Praveen Bharti		
REGISTRAR TO THE ISSUE		
Beetal Financial & Computer Services Private Limited BEETAL HOUSE, 3 rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110 062 Tel.: +91-11-2996 1281-83 Fax: +91-11-2996 1284 E-mail: jes@beetalfinancial.com Website: www.beetalfinancial.com SEBI Regn. No.: INR 000000262 Contact Person: Mr. Puneet Mittal		
STATUTORY AUDITOR TO THE COMPANY		
M/s. J.P. Associates, Chartered Accountants J.P. Associates Campus, Prem Ganj, Sipri, Jhansi - 284 003 Tel No.: +91-99366-03000 E-Mail: email@jpaca.com Contact Person: Mr. Ashish Agrawal Peer Review Certificate No.: 002319		
BANKERS TO THE COMPANY		
ANDHRA BANK 1947/1&A, Kalindi Kunj, Dampier Nagar, Mathura – 281 001 (UP) Tel: +91-0565-2400 946 E-Mail: bmlck1692@andhrabank.co.in Contact Person: Mr. Amit Shrivastav	HDFC BANK Opposite BSA College, Main Branch, Gaushala Road, Mathura – 281 001 (UP) Tel: +91-0565-246 3806 E-Mail: sumit.dhiman@hdfcbank.com Contact Person: Mr. Sumit Dhiman	STATE BANK OF INDIA Main Branch, Junction Road, Mathura – 281 001 (UP) Tel: +91-0565-240 7647 Fax: +91-0565-56J-2407647 E-Mail: sbi.00678@sbi.co.in Contact Person: Ms. Sangita Arora

BANKERS TO THE ISSUE AND ESCROW COLLECTION BANKS	
Bankers to the Issue (Escrow Collection Banks)	To be appointed prior to filing of prospectus with RoC
[•]	[•]

Self Certified Syndicate Banks

The lists 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 Application Form, please refer to the SEBI Website, www.sebi.gov.in.

Refund Banker

[•]To be appointed prior to filing of prospectus with RoC.

Monitoring Agency

As per regulation 16 of the SEBI (ICDR) Regulations, 2009, Monitoring Agency is required to be appointed in case the Public Issue size exceeds ₹ 50,000 lacs. Since our proposed Issue size will not exceed ₹ 50,000 lacs, we do not propose to appoint a Monitoring Agency.

Credit Rating

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

IPO Grading

Since this issue is being made in terms of Chapter XB of the SEBI ICDR Regulations, there is no requirement of appointing an IPO Grading Agency.

Trustees

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

Project Appraisal

Our Project has not been appraised by any Bank or Financial Institution.

Inter-Se Allocation of Responsibilities of the Lead Manager

Ajcon Global Services Limited being the sole Lead Manager to the Issue shall be responsible for carrying out all the Issue related responsibilities.

Issue Programme

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]

Underwriting Agreement

The Issue is 100% underwritten. 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 specified securities being offered through this Issue:

Name and Address of the Underwriter	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in lacs)	% of the Total Issue size Underwritten
[•]	[•]	[•]	[•]

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager has to underwrite to a minimum extent of 15 % of the Issue out of its own account.

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. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange.

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager have entered into a tripartite agreement dated [•], 2012 with the following Market Maker to fulfill the obligations of Market Making:

Name	[•]
Address	[•]
Tel No.	[•]
Fax No.	[•]
E-mail	[•]
Contact Person	[•]
SEBI Registration No.	[•]
Market Maker Reg No.	[•]

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
4. There would be not more than five market makers for scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
5. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making arrangement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirement of Regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

CAPITAL STRUCTURE

The Equity Share Capital of our Company as on the date of filing this Draft Prospectus is mentioned below: (₹. in Lacs except share data)

	Particulars	Aggregate Nominal Value ₹	Aggregate Value at Issue Price ₹
A.	AUTHORIZED CAPITAL		
	1,10,00,000 Equity Shares of ₹ 10/- each	1100.00	-
B.	ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	64,31,300 Equity Shares of ₹ 10/- each	643.13	-
C.	PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS 35,68,700 Equity Shares of ₹ 10/- each at a premium of ₹ 5/- per Equity share	356.87	535.30
	WHICH COMPRISES		
(I)	3,60,000 Equity Shares of ₹ 10/- each at a premium of ₹ 5/- per Equity Share reserved as Market Maker Portion	36.00	54.00
(II)	Net Issue to Public of 32,08,700 Equity Shares of ₹ 10/- each at a premium of ₹ 5/- per Equity Share to the Public	320.87	481.30
D.	Paid-up Capital after the Issue		
	1,00,00,000 Equity Shares of ₹ 10 each	1000.00	-
E.	SECURITIES PREMIUM ACCOUNT		
	Prior to the Issue	321.07	
	Post Issue	499.51	

The present issue has been authorized pursuant to a resolution by our board dated November 11, 2011 and by special resolution passed under section 81 (1A) of the Companies Act 1956, at the Extra Ordinary General Meeting of our Shareholders held on December 14, 2011

Details of the Increase in Authorized Share Capital since Incorporation are as follows:

Sr. No.	Details of Increase in Authorized Share Capital	Date of Change/Meeting
1	On Incorporation, ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each	May 24, 2011
2	Increased to ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10 each	June 20, 2011
3	Increased to ₹ 11,00,00,000 divided into 1,10,00,000 Equity Shares of ₹ 10 each	November 01, 2011

Notes to the Capital Structure

1. Share Capital History

a. The following is the history of the Equity Share Capital and Share Premium Account of our Company:

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Name of Allottee / Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Share Capital (₹)	Cumulative Share Premium (₹)
May 24, 2011	10,000	10	10	Cash	Subscription to Memorandum of Association	10,000	1,00,000	-
November 10, 2011	39,00,000	10	15	For a consideration other than Cash*	*Issue of shares against takeover of business	39,10,000	3,91,00,000	1,95,00,000
November 10, 2011	2,17,800	10	15	Cash	Further Allotment of shares on preferential basis	41,27,800	4,12,78,000	2,05,89,000
November 30, 2011	8,03,500	10	15	Cash	Further Allotment of shares on preferential basis	49,31,300	4,93,13,000	2,46,06,500
December 21, 2011	15,00,000	10	15	Cash	Further Allotment of shares on preferential basis	64,31,300	6,43,13,000	3,21,06,500

Note:

*Allotment of 39,00,000 Equity Shares made in consideration towards taking over the Sole Proprietorship business of M/s. Jointeca Technologie represented by its Sole Proprietor Mr. Vishal Mishra as a going concern, pursuant to a Slump Sale agreement dated November 10, 2011, executed between M/s. Jointeca Technologie and Jointeca Education Solutions Private Limited. As per the aforesaid agreement, the assets and liabilities of the Sole Proprietorship concern were taken over at book value by our Company.

b. Equity Shares allotted for Consideration other than cash

Sr. No.	Date of Allotment of Equity Shares	Names of Allottees	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Whether Benefits have accrued to the Issuer
1	November 10, 2011	Vishal Mishra	39,00,000	10	15	Allotment made in consideration of acquisition of business of M/s. Jointeca Technologie, Sole- Proprietorship concern as a going concern, pursuant to Slump Sale agreement dated November 10, 2011 executed between Jointeca Technologie, "Sole Proprietorship concern" and our Company	Yes, acquisition of business as a going concern has been done and the Company is carrying on the business in its own name since then.

c. No Equity Shares have been issued pursuant to any scheme approved under Sections 391 to 394 of Companies Act, 1956.

d. Our Company has not re-valued its assets since inception and has not issued any Equity Shares out of revaluation reserves.

e. Our Company does not have any Employee Stock Option Scheme /Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.

f. Except for the allotment made by the Company to the subscriber of memorandum during the incorporation we have not allotted any equity shares in the preceding one (1) year from the date of filing this Draft Prospectus which may be lower than the Issue Price.

g. We presently do not intend or propose to alter our Capital structure for a period of six (6) months from the 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 compliance with the relevant regulations etc.

2. History of the Equity Share Capital held by the Promoters

Details of build up of Promoters in Our Company

Date of Allotment	Consideration	Nature of Allotment	No. of Shares	Face Value (₹)	Issue Price / Transfer Price	% of Pre-Issue Capital	% of Post Issue Capital
Vishal Mishra							
May 24, 2011	Cash	Initial Subscription	5,000	10	10	0.07%	0.05%
November 10, 2011	Other than cash	Acquisition of business of Jointeca Technologie	39,00,000	10	15	60.64%	39.00%
December 21, 2011	Cash	Further Allotment of shares	15,00,000	10	15	23.32%	15.00%
Laxmi Agrawal							
November 30, 2011	Cash	Further Allotment of shares	5,00,000	10	15	7.77%	5.00%
Abhay Gautam							
November 30, 2011	Cash	Further Allotment of shares	60,000	10	15	0.93%	0.60%

Note: None of the Equity Shares held by our Promoters have been subject to lock-in or pledged with any Scheduled Commercial Bank or Public Financial Institution as collateral security for any loan granted by such bank or institution, or creditor / lender.

3. Shareholding of Promoters and Promoter Group before and after the Issue

Category of Promoters	Pre Issue		Post Issue	
	No. of shares	%	No. of shares	%
1. Promoter				
Vishal Mishra	54,05,000	84.04	54,05,000	54.06
Laxmi Agrawal	5,00,000	7.77	5,00,000	5.00
Abhay Gautam	60,000	0.93	60,000	0.60
Sub Total (1)	59,65,000	92.74	59,65,000	59.66
2. Promoter Group				
Alok Kumar Mittal	12,100	0.19	12,100	0.12
Hariom Prasad Agrawal	53300	0.83	53300	0.53
Hariom Agrawal (HUF)	13300	0.21	13300	0.13
Vivek Mishra	61000	0.95	61000	0.61
Ashish Kashyap	1300	0.02	1300	0.01
H D Mishra	1300	0.02	1300	0.01
Kishan Lal Agrawal	20000	0.31	20000	0.20
Poonam Mishra	31000	0.48	31000	0.31
Vimlesh Agarwal	99300	1.54	99300	0.99
Umesh Sharma	1300	0.02	1300	0.01
Sweta Agrawal	20000	0.31	20000	0.20
Mahima Mittal	1600	0.02	1600	0.02

Kanhiya Agrawal	10000	0.16	10000	0.10
Amit Agrawal	6600	0.10	6600	0.07
Ashish Garg	6600	0.10	6600	0.07
Pwan Kumar Bansal	6600	0.10	6600	0.07
Shomit Agarwal	6600	0.10	6600	0.07
Deepti Mishra	3300	0.05	3300	0.03
Nitin Agrawal	4600	0.07	4600	0.05
Krishna Kanhiya Agrawal	13300	0.21	13300	0.13
Kishori Agrawal	20000	0.31	20000	0.20
Kusum Devi	20000	0.31	20000	0.20
Megha Agrawal	40000	0.62	40000	0.40
Pushplata Agrawal	6600	0.10	6600	0.07
Asha Agrawal	6600	0.10	6600	0.07
Sub Total (2)	2531300	7.26	2531300	4.66
Total (1) + (2)	64,31,300.00	100.00	64,31,300.00	64.32

4. Except the following transfers, the Promoters, Directors and persons belonging to the Promoter group have not purchased or sold Equity Shares during a period of six (6) months preceding the date of filing this Draft Prospectus.

Transferor	Transferee	No of Equity Shares	Nature of Transaction	Transfer Price Per Equity Shares	Date of Transfer
Prashant Agarwal	Kishanlal Agarwal	20,000	Transfer	15.00	March 23, 2012
Shaily Agarwal	Deepti Mishra	3,300	Transfer	15.00	March 23, 2012

5. There are no financing arrangements, whereby the Promoters or Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six (6) months immediately preceding the date of filing this Draft Prospectus with BSE SME Exchange.

6. Details of Promoters' holdings which would be locked in for three (3) years

Pursuant to Regulation 32 (1) SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Paid-up Equity Share Capital of our Company held by our Promoters shall be locked-in for a period of three (3) years from the date of Allotment in the Public Issue.

20,60,000 Equity Shares, aggregating to 20.60% of the post-Issue Paid-up Equity Share Capital of our Company, held by our Promoters, are eligible shares for Minimum Promoters' Contribution and shall be locked in for a period of three (3) years from the date of allotment in the Issue. We confirm that specific written consent dated June 20, 2011 has been obtained from our Promoters to ensure Minimum Promoters' Contribution is not less than twenty percent (20%) of the post-Issue paid-up Equity Share Capital of our Company.

As per clause (a) sub-regulation (1) of Regulation 32 of the SEBI (ICDR) Regulations, and in terms of the said table of Promoters share capital build-up, the below mentioned Equity Shares held by our Promoters, as per sub-regulation (a) of Regulation 36 of SEBI (ICDR) Regulations shall be locked in for a period of three (3) years from the date of Allotment:

Name of the Promoters	Date of Allotment /Transfer	Nature of Allotment	Number of Shares	Face Value (₹)	Issue/ Transfer Price (₹)	% of lock in
Vishal Mishra	December 21, 2011	Further Allotment	15,00,000	10	15	15.00%
Laxmi Agrawal	November 30, 2011	Further Allotment	5,00,000	10	15	5.00%
Abhay Gautam	November 30, 2011	Further Allotment	60,000	10	15	0.60%
Total			20,60,000			20.60%

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as Promoters under SEBI (ICDR) Regulations. All the Equity Shares which are being locked-in are not ineligible for computation of minimum Promoters' contribution under Regulation 33 of SEBI ICDR Regulations. In this connection, as per Regulation 33 of the SEBI ICDR Regulations, we confirm the following:

- The Equity Shares forming part of 20% Minimum Promoters' Contribution are not acquired during the preceding three (3) years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus issue of Equity Shares by utilizing revaluation reserves or unrealized profits of the Issuer or bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The Minimum Promoters' Contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which Equity Shares are being offered to public in the Issue;
- Our Company was not formed pursuant to conversion of a Partnership Firm;
- The Equity Shares held by the Promoters forming part of Minimum Promoters' Contribution are not subject to any pledge; and
- The Minimum Promoters' Contribution does not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of their subscription in the minimum Promoters' contribution subject to lock-in.

Our Promoters have undertaken that the Equity Shares forming part of Minimum Promoters' contribution subject to lock-in will not be disposed, sold or transferred during the period starting from the date of filing this Draft Prospectus with BSE SME Exchange till the date of commencement of lock-in period.

7. Details of Equity Shares Locked in for one year

Other than the Equity Shares which are locked-in and forming part of Minimum Promoters' Contribution as stated in the table above, the entire pre-Issue capital of our Company including the excess of minimum Promoters' Contribution, as per Regulation 36 and 37 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of allotment of Equity Shares in the Issue.

8. Other requirements in respect of lock-in

In terms of regulation 39 of SEBI (ICDR) Regulations 2009, Equity Shares held by the Promoters and locked-in can be pledged only with Scheduled Commercial Banks or Public Financial Institutions as collateral security for any loans granted by such banks or financial institutions, provided that the pledge of shares is one of the conditions under which the loan is sanctioned. Further, Equity Shares locked-in as Minimum Promoters' Contribution may be pledged only in respect of a financial facility which has been granted for the purpose of financing one or more objects of the Issue.

In terms of regulation 40 of SEBI (ICDR) Regulations 2009, subject to the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, the specified securities held by Promoters and locked-in as per Regulation 36 may be transferred to any person of the promoter group or a new promoter or a person in control of the Issuer and the specified securities held by persons other than Promoters and locked-in as per regulation 37 may be transferred to any other person holding the specified securities which are locked-in along with the securities proposed to be transferred. Provided that lock-in of such specified securities 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 these regulations has expired.

9. Shareholding Pattern of our Company

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 & Promoter Group								
1	Indian								
(a)	Individuals/Hindu Undivided Family	28	64,31,300	100	0	[•]	[•]	-	-
(b)	Central Government/State Government(s)	-	-			-	-	-	-
(c)	Bodies Corporate	-	-			-	-	-	-
(d)	Financial Institutions/Banks	-	-			-	-	-	-
(e)	Any Others(Specify)	-	-			-	-	-	-
	Sub Total(A)(1)	28	64,31,300	100	0	[•]	[•]		
2	Foreign								
a	Individuals	-	-			-	-	-	-

	(Non-Residents Individuals/ Foreign Individuals)								
b	Bodies Corporate	-	-			-	-	-	-
c	Institutions	-	-			-	-	-	-
d	Any Others(Specify)	-	-			-	-	-	-
	Sub Total(A)(2)	-	-			-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	28	64,31,300	100	0	[•]	[•]	-	-
(B)	Public shareholding							-	-
1	Institutions							-	-
(a)	Mutual Funds/ UTI	-	-					-	-
(b)	Financial Institutions / Banks	-	-					-	-
(c)	Central Government/ State Government(s)	-	-					-	-
(d)	Venture Capital Funds	-	-					-	-
(e)	Insurance Companies	-	-					-	-
(f)	Foreign Institutional Investors	-	-					-	-
(g)	Foreign Venture Capital Investors	-	-					-	-
(h)	Any Other (specify)	-	-					-	-
	Sub-Total (B)(1)	-	-					-	-
2	Non- institutions							-	-
(a)	Bodies Corporate	-	-					-	-
(b)	Individuals							-	-
I	Individual shareholders holding nominal share capital up to ₹	-	-	-	0	[•]	[•]	-	-

	1 lac								
II	Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	0	[•]	[•]	-	-
(c)	Any Other (specify)	-	-	-	-	-	-	-	-
(d)	Public Issue	-	-	-	-	[•]	[•]	-	-
	Sub-Total (B)(2)	-	-		0	[•]	[•]	-	-
(B)	Total Public Shareholding (B) = (B)(1)+(B)(2)	-	-	-	0	[•]	[•]	-	-
	TOTAL (A)+(B)	28	64,31,300	100	0	[•]	[•]	-	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued							-	-
	GRAND TOTAL (A)+(B)+(C)	28	64,31,300	100	0	[•]	100	-	-

10. The list of our Top ten Shareholders and the number of Equity Shares held by them:

a) As on the date of filing this Draft Prospectus with RoC:

Sr. No.	Name of Shareholder	No. of Equity Shares held	% of Issued Capital
1.	Vishal Mishra	54,05,000	84.04%
2.	Laxmi Agrawal	5,00,000	7.77%
3.	Vimlesh Agrawal	99,300	1.54%
4.	Hariom Prasad Agrawal	53,300	0.83%
5.	Vivek Mishra	61,000	0.95%
6.	Abhay Gautam	60,000	0.93%
7.	Megha Agrawal	40,000	0.62%
8.	Poonam Mishra	31,000	0.48%
9.	Kishori Agrawal	20,000	0.31%
10.	Kusum Devi Agrawal	20,000	0.31%
	Total	62,89,600	97.79%

b) Ten days prior to filing of this Draft Prospectus with RoC:

Sr. No.	Name of Shareholder	No. of Equity Shares held	% of Issued Capital
1.	Vishal Mishra	54,05,000	84.04%
2.	Laxmi Agrawal	5,00,000	7.77%

3.	Vimlesh Agrawal	99,300	1.54%
4.	Hariom Prasad Agrawal	53,300	0.83%
5.	Vivek Mishra	61,000	0.95%
6.	Abhay Gautam	60,000	0.93%
7.	Megha Agrawal	40,000	0.62%
8.	Poonam Mishra	31,000	0.48%
9.	Kishori Agrawal	20,000	0.31%
10.	Kusum Devi Agrawal	20,000	0.31%
	Total	62,89,600	97.79%

c) Two years prior to filing of this Draft Prospectus with RoC:

Our Company was incorporated on May 24, 2011. Hence, the requirement of mentioning the top ten shareholders as of two (2) years prior to filing this Draft Prospectus will not be applicable.

11. Our Company, Promoters, Promoter Group, Directors or the LM have not entered into any buy-back and/ or standby arrangements for the purchase of Equity Shares of our Company from any person.
12. For details on the individual allotments made since the Incorporation of our Company, please refer to the section titled "*Capital Structure*" on page no. 38 of this Draft Prospectus.
13. Over-subscription to the extent of 10% of the net offer to the public can be retained for the purpose of rounding off to the nearer multiple of minimum allotment lot. 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. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased, so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. Since the entire money of ₹. 15/- per Equity share (₹. 10/- face value + ₹. 5/- premium) is being called on application, all the successful applicants will be issued fully paid-up shares only.
15. 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 shall be provided to the SME Platform of BSE Ltd. where the shares are to be listed, before listing of the securities.
16. Investors may note that in case of oversubscription, allotment will be on a proportionate basis as detailed in paragraph titled "*Basis of Allotment*" on Page no. 179 of this Draft Prospectus.
17. As of the date of the Draft Prospectus, no Equity Shares have been issued pursuant to any Employee Stock Option or Employee Stock Purchase Scheme in the last three (3) years.
18. Our Company has not raised any bridge loan against the proceeds of the Issue.
19. As on the date of this Draft Prospectus, there are no outstanding financial instruments or warrants or any other right that would entitle the existing Promoters or Shareholders, or any other person any option to receive Equity Shares after the offering.
20. There would be no further issue of capital 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 the Draft Prospectus until the Equity Shares to be issued through the Prospectus are listed or application moneys refunded.

21. Our Company undertakes that at any given time, there shall be only one denomination for the Equity Shares of our Company and our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
22. No single applicant can make an application for number of Equity shares, which exceeds the number of shares offered to the Public, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
23. The total number of members of our Company as on the date of filing Draft Prospectus is 28 (Twenty Eight).
24. Our Promoters and Promoter group will not participate in the Net Offer to Public.
25. As on the date of filing this Draft Prospectus, the entire Issued Share Capital of our Company is fully paid-up.
26. As of the date of the Draft Prospectus, the LM or its associates do not hold any Equity Shares in our Company.
27. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Objects of the Issue are stated below:

1. To expand our product Guruseva (Educational ERP Solution) under BOOT Model through Cloud Computing solutions, to establish and expand infrastructure for B2B Educational Portal www.shiklo.in, to meet the promotion and branding expenses for setting up robust sales network for our products.
2. To meet the Public Issue Expenses;
3. To get the Equity Shares of the Company listed on the SME Platform of the Exchange.

Requirement of Funds

The funds raised from the public issue shall be utilised for the following purposes:

<i>(₹ in lacs)</i>		
Sr. No.	Particulars	Total Funds Required
1.	To expand our product Guruseva (Educational ERP Solution) under BOOT Model through Cloud Computing solutions, to establish and expand infrastructure for B2B Educational Portal www.shiklo.in , to meet the promotion and branding expenses for setting up robust sales network for our products.	615.80
2.	Public Issue Expenses	69.50
	Total	685.30

Means of Finance

<i>(₹ in lacs)</i>		
Sr. No.	Particulars	Amount
1.	Proceeds of Public Issue	535.30
2.	Equity Share Capital Including Premium Already brought in	150.00
	Total	685.30

The requirement of the funds is proposed to be funded through this Initial Public Offering wholly. In case of shortfall, if any, the same shall be met out of internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount proposed to be raised from the issue.

USE OF PROCEEDS OF THE ISSUE

The item-wise details of the utilization of the proceeds, based on the quotations and management estimates, of this Issue are given below:-

1. (A) Content Development

We are in the process of building necessary content to support our educational portal, www.shiklo.in. The content developed would be disseminated through our studio infrastructure. We need to incur necessary Capital Expenditure to build a suitable content repository.

Content preparation is done through the well-equipped "**Knowledge Resource Development & Research Department**". The Content preparation process involves identification of the topic, preparation of content in the form of slides, creation of story board for the relevant animation, preparation of animation, integration with slides, review of content, quality check, etc.

We propose to develop Content for Class VI to Class X and the number of subjects for which the content is proposed to be developed is 10 (Class VI to Class X – Mathematics and Science).

The content development work is expected to be completed by December 2012. The Content team consists of Head of the Department, Subject Heads, Assistants and Quality Check Executives. The team will be recruited for the purpose of content development on Consultancy basis. The team will work till the completion of assigned task of content development. The consultant fees and compensation to staff is proposed to be capitalized.

Particulars	Subjects	Persons	Fees per month (₹ in Lacs)	Months	Total (₹ in Lacs)
Content Head	1	1	0.60	8	4.80
Subject heads	10	1	0.30	8	24.00
Assistants per subject	10	2	0.20	7	28.00
Quality Check per subject	10	1	0.25	7	17.50
Content Animator	10	1	0.25	7	17.50
School Content Development Cost (A)					91.80

(B) Education Infrastructure Projects under BOOT model

The Company foresees a growth in the number of contracts for Education Infrastructure Projects under the BOOT model. In such projects, the Company enters into contracts with various Institutions / government / semi-government bodies wherein the Company is responsible for setting up computers with software in schools, colleges for management of the operations. Under the contract, we provide turnkey IT Solutions that include:

- Procurement/Installation of Hardware
- Installation of GuruSeva Software (ERP Solutions in Education)
- Employing the necessary faculty/staff

Further, the Company provides these services throughout the period of the contract. The Company taps into funds available under various schemes including the Sarva Shiksha Abhiyan (SSA) and ICT at school projects under the Ministry of Human Resources Development. The Company has to make an investment in the IT Infrastructure at the start of the contract while the revenues are generated over the lifetime of the contract. Due to this, sizeable investments are to be made by the Company at the start of an Education Infrastructure contract.

We plan to add almost 50 schools in different parts of India upto April, 2013. However, we are looking at funding all the schools to support our growth initiative.

Each school on an average is estimated to have five (5) Computers (Client and Server) with licensed GuruSeva software, UPS, other equipments and required furniture. The cost of Computer Systems and other hardware costs are estimated to be ₹ 2.50 lacs per school and Furniture and Fixtures is estimated to be ₹ 0.25 lacs per school

Details of Equipments for which quotations have been obtained

Sr. No.	Description	Quantity	Total (₹ in Lacs)	Quotation Details		
				Supplier	Date	Ref. No.
1.	Computers With Key Board, Mouse, DVD Writer and UPS	250	90.00	Shridhar Infotech Enterprises, Mathura	November 21, 2011	SD/JESL/ITP/11-12/02
2.	Dell Inspiron 15R Laptops	50	23.25	Shridhar Infotech Enterprises, Mathura	November 21, 2011	SD/JESL/ITP/11-12/02
3.	Networking, Printer and Other Peripherals	50	11.75	Shridhar Infotech Enterprises, Mathura	November 21, 2011	SD/JESL/ITP/11-12/02
4.	Computer Tables, Chairs	50	8.85	G.G. & Co., Mathura	December 06, 2011	GG/JESL/11-12/17
5.	Other Furniture & Fixture	50	3.65	G.G. & Co., Mathura	December 06, 2011	GG/JESL/11-12/17
	Total		137.50			

(C) To establish Infrastructure for providing Cloud Computing Solutions for our product GuruSeva

We propose to develop Infrastructure for supplying our product GuruSeva (ERP Solutions for Educational Management System) through Cloud Computing under SaaS Model. In the last 5 years, more and more companies have been delivering software that has become accessible on the Internet. The Companies own the software and deliver them as a service to the customers and therefore the customers are not required to purchase them and own and maintain the same. Software-as-a-Service, or SaaS, is an application that businesses access and use via the Internet. The actual software applications reside on servers all over the web in the cloud.

Details of Equipments for which quotations have been obtained

Sr. No.	Description	Quantity	Total (₹ in Lacs)	Quotation Details		
				Supplier	Date	Reference No.
1.	Blade Servers	8	52.20	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11-12/01
2.	Blade Server Chassis	4	8.35	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11-12/01
3.	Cisco 2921	2	3.68	Positive Web	December	PT/JESL

	Integrated Services Router			Technologies Pvt. Ltd.	06, 2011	/11-12/01
4.	D-Link DFL-1660 Net Defend UTM Firewall Series 1660	1	2.20	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
5.	IBM System Storage SAN 24B-4 Express SAN Switch	1	1.81	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
6.	IBM System Storage DS-3400 SAN Disk Box	1	0.56	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
7.	DGS-3100-48 Managed 48-Port Gigabit Stackable Layer 2 Switch	3	1.87	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
8.	DGS-1024D 24-Port 10/100/1000	5	0.47	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
9.	KVM-450 PS2/USB 16 Port Combo KVM Switch	1	0.21	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
10.	22 U Server Rack with Power Panel & ATEN (Model - CL1000M)	2	3.18	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL /11-12/01
11.	Dell Latitude E6520 U720353IN8	3	2.40	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
12.	Epson EB-G5500 Business Projector	1	2.70	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
13.	Matrix Enterprise PBX System	1	5.15	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
14.	Facial Recognition Door Access Control – FRS Access	1	0.89	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
15.	ZICOM Digital Fire Alarm System	1	0.43	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
16.	DCS-5605 Wired H.264 PTZ Network Camera	3	1.83	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
17.	LAN Wiring, LAN Patching, LAN Rack Fitting, Patch Cord, I/O Patching	30	3.90	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
18.	APC Smart-UPS VT Extended Run Enclosure with 6 Battery Modules and 5x8 Start-up	1	6.20	Shridhar Infotech Enterprises	November 21, 2011	SD/JES L/ITP/1 1
19.	Band Width Main	-	11.00	Shridhar		SD/JES

	Line, Redundancy Line, Support Engineers			Infotech Enterprises	November 21, 2011	L/ITP/1 1
20.	Emerson Precision Cooling AC's 10.5kW (3 Tonnes)	2	7.35	G.G. & Co.	December 06, 2011	GG/JES L/11- 12/15
	Total		116.38			

Details of Software for which quotations have been obtained

Sr. No.	Description	Quantity	Total (₹ in lacs)	Quotation Details		
				Supplier	Date	Reference No.
1	Windows Server 2008 Enterprise Edition +CAL (Client Access License)	8	1.16	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
2	Red Hat Enterprise Linux (1-2 Socket) 3 Years Subscription	Unlimited	1.30	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
3	Microsoft SQL Server 2008 Enterprise Edition + CAL (Client Access License)	Unlimited	5.04	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
4	Microsoft Exchange Server Enterprise Edition 2010 + CAL (Client Access License)	Unlimited	2.55	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
5	Round Cube Webmail	Unlimited	2.50	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
6	MySQL Database	4	12.60	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
7	Parallels Pleask Panel 10 -Linux	Unlimited	0.75	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
8	Parallels Pleask Panel 10 for Windows	Unlimited	0.76	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
9	Acronis Backup & Restore 11 for Windows	Unlimited	0.48	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
10	Acronis Backup & Restore 11 for Linux	Unlimited	0.48	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
11	Trend Micro Business Security & SafeSync	30 User	1.42	Positive Web Technologies Pvt. Ltd.	December 06, 2011	PT/JESL/11- 12/02
12	Microsoft Visual Studio 2010	Unlimited	5.10	Positive Web Technologies	December 06, 2011	PT/JESL/11- 12/02

	Premium + CAL (Client Access License)			Pvt. Ltd.		
	Total		34.14			

Details of Furnishing Work for which quotations have been obtained

Sr. No.	Description	Area/ Qty.	Total (₹ in lacs)	Quotation Details		
				Supplier	Date	Reference No.
1	False Ceiling, Raised Flooring	900 Sq. ft.	16.78	Saransh Construction, Mathura	December 16, 2011	SC/JEL/11-12/227
	AC Ducting, Civil Portioning					
	Vinoleum Flooring, Electrical Fitting					
	Dry Fire Extinguisher, Electronic Door Locks					
	Painting of the Server Room					
2	Kirloskar 50 kVA Silent Diesel Genset, With Battery Backup - KG20WS1 - RB22	1	7.50	G.G. & Co., Mathura	December 16, 2011	GG/JESL/11-12/18
	Total		24.28			

(d) B2B Educational Portal

We are looking at leveraging our experience in the education arena to build a unique B2B platform for students, parents and teachers to search and get relevant information on career and education in various schools, colleges and universities of India and abroad. Students can also get assistance from the portal for their class subjects and homework completion. The domain www.shiklo.in has already been registered and a portal will be built that would serve as an exclusive B2B portal for students, parents, teachers, schools, colleges and universities.

We would allow all potential candidates looking at a career in the educational field to register on the website. We would market our service offering to large educational institutions for an annual subscription charge and will provide this service free of charge for our existing clients who have been using our software GuruSeva (ERP Solutions for Education).

The revenue generation for this portal will be on two accounts

- Subscription:** Students, Candidates and Educational Institutions
- Advertisement:** Educational Institutions & Service Providers

The Capital Expenditure needed to build and host the portal is as follows:-

(1) B2B Educational Portal (www.shiklo.in)		(₹ in Lacs)
Profile / No. of Employees	Total Cost	
Management (Senior / Middle level)	11.50	
Development (Programmers)	23.00	
Design (Designers)	14.50	
Content & Communication	26.00	
Total Portal Capex Cost	75.00	

Management (senior / middle level)

The Company would be employing three officials in the senior management category.

Development (Programmers)

Our Company intends to hire two programmers for the development of the B2B Educational portal www.shiklo.in. The programmers would be hired on full time basis for various applications related to solutions. Apart from programmers, we are also planning to hire four DBA administrators.

Design (Designers)

Designers are required for developing and maintaining user interfaces for internet web applications and also for creating and designing logos, icons, presentations, Brochures, Reports and Demo Slides etc. The Company would also be requiring one (1) senior designer and three (3) other designers.

Content and Communication

Our Company proposes to employ twelve (12) executives on permanent or contractual basis for various technical write-ups on the functioning of the Company.

(2) Advanced Studio Infrastructure

We propose to establish Advanced Studio Infrastructure for students who will get the necessary assistance from our B2B Educational portal www.shiklo.in for their class subjects and homework completion. The Advanced Studios where *"Live sessions and home work assistance"* for classes can be delivered require well-designed, sound proof, fully equipped state of the art equipments.

Details of Quotations obtained for the Computers, Equipments and others are as under:

Sr. No.	Description	Total Amount (₹ in Lacs)	Quotation Details		
			Supplier	Date	Ref. No.
1	Audio/Video Streaming Server	4.80	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
2	Broadcast Quality Camera with tripod stand (Sony PTZ Camera and Libec Tripod)	11.00	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
3	Streaming Encoder with flash and windows encoding software included	17.5	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
4	Audio Mixer (4 Channel) with 2 microphones	5.60	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
5	Audio / video Distributor	1.75	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
6	Studio Lights with Stand	1.15	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
7	Set of Cables and connectors	2.10	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
8	Video Conferencing Display and Control System	8.10	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01

9	Multimedia Desktop PCs	6.50	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
10	Zicom Video Door Phone-7 inch Colour display	0.80	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
11	Dreamweaver, Photoshop, Flash Platform designing softwares	1.67	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
12	Bandwidth Up to 4 Mbps	4.50	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
13	Installation and Training Charges	2.75	Unisys Computers, Mathura	November 24, 2011	US/JESL/Quot/11-12/01
14	EB-G5950 Business Projector	3.80	Positive Web Technologies Pvt. Ltd., Mathura	December 06, 2011	PT/JESL/11-12/03
15	Carrier Durakool Plus 1.5 Tonnes	1.30	G.G. & Co, Mathura	December 06, 2011	GG/JESL/11-12/16
	Total	73.32			

Details of Quotations obtained for the Furnishing work are as under:

Sr. No.	Description	Area	Total Amount (₹ in Lacs)	Supplier Name	Quotation Date	Reference No.
1	False Ceiling, Raised Flooring	360 Sq.ft.	18.20	Saransh Construction, Mathura	December 16, 2011	SC/JEL/11-12/226
	AC Ducting, Electrical Fitting					
	Dry Fire Extinguisher					
	Electronic Door Locks					
	Civil Portioning, Painting work					
	Total		18.20			

(E) To meet the promotion and branding expenses, to sign-up and establish Guru Seva sale partners across India & Gulf

Our increasing points of presence would serve as an ideal ground to communicate our vision towards education through the organization of seminars and conferences.

Besides this, we intend to undertake proactive public relations efforts through various media like News Print, Radio and Television.

These specific brand building activities coupled with our first mover advantage would aid in building a lasting and recognizable brand in the Education segment. India has joined the bandwagon of *"Brand Driven Economies"* and increasingly students identify themselves with the Brand.

Break-up of Costs

Particulars	Timeline (Beginning)	Costs per month (₹ In Lacs)	No. of Months	Total Cost (₹ In Lacs)
Cost of TV Campaign	July, 2012	5.00	6	30.00
Cost of Press campaign	June, 2012	1.00	6	6.00
Cost of Website campaign	July, 2012	-	-	3.18
Cost of local / direct promotion	Jun, 2012	1.00	6	6.00
TOTAL				45.18

A total number of 165 dealers shall be signed by Dec 2012 in the following manner:-

Regions	No. of Dealers	Month of Completion
South India	40	Nov, 2012
North and Central India	65	Oct, 2012
West and East India	55	Nov, 2012
South Asia and Middle East	5	Dec, 2012

2. Public Issue Expenses

The Issue related expenses include, among others, underwriting and selling commissions, printing and distribution expenses, legal fees, advertisement expenses and Registrar and Depository fees. The estimated Issue expenses are as follows:

Sr. No.	Activity Expense	Amount (₹ in Lacs)	Percentage of Total Estimated Issue Expenditure	Percentage of Total Issue Size
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Bankers etc and other out of pocket expenses, if any.	45.00	64.75%	8.42%
2.	Legal Fees	5.00	7.19%	0.94%
3.	Printing & Stationery and Postage Expenses	6.00	8.63%	1.12%
4.	Marketing and Advertisement Expenses	6.00	8.63%	1.12%
5.	Regulatory fees and RTA expenses	4.50	6.47%	0.84%
6.	Other expenses	3.00	4.32%	0.56%
	Total	69.50	100%	13%

Schedule of Implementation

Particulars	Expected Date of Commencement	Expected Date of Completion	COST TO BE INCURRED
To expand our product Guruseva (Educational ERP Solution) under BOOT Model and through Cloud Computing solutions, to establish and expand infrastructure for B2B Educational Portal www.shiklo.in , to meet the promotion and branding expenses for setting up robust sales network for our products.	Q2 FY 12-13	Q4 FY 12-13	615.30

Schedule of Deployment and Sources of Funds

Sr. No	Deployment of Funds	Total Estimated Cost ₹ In Lacs	*Amount Deployed/ Advances Given ₹ In Lacs	Balance To be Deployed ₹ In Lacs
A	DEPLOYED FUNDS*			
1	Establishing and expanding Education Infrastructure under BOOT Model and providing Cloud Computing solutions for our portal www.guruseva.in , B2B Educational Portal www.shiklo.in to meet the promotion and branding expenses, to sign-up and establish sales network.	615.80	140.56	475.80
2	Public Issue Expenses	69.50	9.44	60.06
	Total	685.30	150.00	535.30

B. Sources of Funds

Sr. No	Source of Funds	Amount ₹ In Lacs
1	Share Capital Including Premium Already Brought In	150.00
2	Public Issue Proceed	535.30
	Total	685.30

*M/s. J P Associates , chartered Accountants have vide certificate dated 20/06/2012 certified the above figures as on 20/06/2012.

Appraisal Report

None of our projects for which the Issue proceeds will be utilized have been financially appraised and the estimates of the costs of projects mentioned above are based on quotations of the suppliers and estimates of our management.

Interim Use of Proceeds

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the proceeds received from the Issue. Pending utilization for the purposes described above, the 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.

Bridge Loan

We have not entered into any bridge loan facility that will be repaid from the Issue Proceeds.

Monitoring of Utilization of Funds

As our Issue size is less than ₹ 500 crores, therefore, in terms of the SEBI (ICDR) Regulations 2009, appointment of a Monitoring Agency for the purposes of this Issue is not mandatory and hence no Monitoring Agency is being appointed for this Issue.

As per the requirements of Clause 52 of the SME Listing Agreement, the Audit Committee appointed by our Board of Directors will be monitoring the utilization of the Issue proceeds. We will disclose the utilization of the proceeds including interim use of funds in our half yearly financial disclosures and Annual audited financial statements. The said disclosure shall be made till such time that the full proceeds raised through the Issue have been utilized. The statement shall be certified by our Statutory Auditors. Further, in terms of Clause 46 of the SME Listing Agreement, we will furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the use of proceeds from the Objects stated in the Draft Prospectus.

No part of this Issue proceeds will be paid by us as consideration to our Promoters, 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 Prospectus, the Prospectus, 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 Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Terms of Payment

The entire price of the Equity Shares of ₹ 15/- 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 Board of Directors have, pursuant to a resolution passed at its meeting held on November 11, 2011 authorized the Issue, subject to the approval of the shareholders of our Company under Section 81 (1A) of the Companies Act.

The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, 1956 at the Extraordinary General Meeting of the shareholders held on December 14, 2011.

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 Draft Prospectus at a price of ₹ 15/- 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.

Market Lot and Trading Lot

The Market Lot and Trading Lot for the Equity Shares is 8,000 (Eight Thousand) and the multiples of 8,000; subject to a minimum allotment of 8,000 Equity Shares to the successful applicants.

Period of operation of subscription list of Public Issue

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

Minimum Subscription

The Issue is not restricted to any minimum subscription level. The Issue is 100% underwritten. If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty (60) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 73 of the Companies Act, 1956.

BASIS OF ISSUE PRICE

Investors should read the following summary along with the Sections titled “Risk Factors”, “Industry Overview”, “Business Overview” and “Financial Information” beginning on Page nos. 12, 69, 82 and 135 respectively to get more informed view before making any investment decision.

Qualitative Factors

Various qualitative factors including but not limited to those mentioned below, have been considered for pricing this issue.

- ISO 9001:2008
- Experienced backed Management Team lead by Promoter Mr. Vishal Mishra with highly qualified and experienced key management personnel.
- Technological expertise for the development of product portfolios on a cost effective basis in www.shiklo.in and www.guruseva.in .
- Experience and expertise in Local Markets.
- Brand Recognition and dealer network backed by a well established traffic and visitor base.
- large database with appropriate content.
- Tie up with Trans National Computer LLC for international markets.
- Promoters have also subscribed at a price at which the shares are offered to public.

For details in respect of our qualitative factors, please refer to the section titled “Business Overview” beginning on Page no. 82 of this Draft Prospectus.

Quantitative Factors

Information presented in this section is derived from the Restated audited financial statements of the Company from May 24, 2011 (Date of Incorporation of the Company) to March 31, 2012. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Earnings Per Share (EPS)

Period ended	EPS (₹)
Period ended March 31, 2012*	0.25

* Not Annualized

Notes:

- EPS represents adjusted earnings per share calculated as per Accounting Standard 20 issued by Institute of Chartered Accountants of India.*
- The figures which are disclosed above are based on the restated audited financial information of our Company.*
- 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 shares bought back or issued during the period 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 in the period.*

2. Price Earnings ratio (P/E ratio) in relation to the Issue Price of ₹ 15 per share

Particulars	Issue Price of ₹ 15 per share
Based on March 31, 2012 EPS of ₹ 0.25	60.00

3. Average Return on Net Worth (RONW)**Return on Net Worth as per restated financial statements**

Particulars	Amount (₹ In Lacs)
Pre-Issue Net worth as on March 31, 2012*	962.63
Size of the Issue (Including Premium)	535.30
Post Issue Net worth	1497.93
PAT for the period ended 31/03/2012	5.84
Return on Net worth Pre-Issue (%)	0.61
Return on Net worth (Post Issue) (%)	0.39

* **Source:** Audited Financial Statements, as restated

* Not Annualized

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

4. Net Asset Value (NAV) per Equity Share

Particulars	Amount (₹)
Net Asset Value per Equity Share for the period ended March 31, 2012	14.97
Net Asset Value per Equity Share after Issue	14.98
Issue Price Per Equity Share	15.00

Note: Net Asset Value per Equity Share represents Net Worth for the period ended, as restated divided by the actual number of Equity Shares outstanding at the end of the period.

5. Comparison with Industry Peers

There are no listed company in India which are comparable to us with respect to industry segment we operate and size of our Company.

The Company in consultation with the Lead Manager believes that the issue price of ₹. 15/- per share for the public issue is justified.

The investors should also peruse details, "Risk Factors" beginning on page no. 12 and the financial information of our Company including important profitability and return ratios, as set out in chapter titled "Auditors Report and Financial Information" beginning on page no 135 to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in section titled "Risk Factors" beginning on page no. 12 of the Draft Prospectus.

STATEMENT OF TAX BENEFITS

To
The Board of Directors
Jointeca Education Solutions Limited,
1014, Bagh Bahadur Chowki Colony,
Near SBI Crossing,
Mathura - 281 001
Uttar Pradesh

Dear Sirs,

Statement of Possible Tax Benefits

We hereby report that the enclosed annexure states the possible tax benefits available to Jointeca Education Solutions Limited (herein after referred as the "Company") and its shareholders under the tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is depend upon fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

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

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

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

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

For and on behalf of
J.P. Associates
Chartered Accountants

Firm's Registration No. 004743C
Prakash Hirwani
Partner
Membership No. 413260
Jhansi
May 25, 2012

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

I. SPECIAL SPECIFIC TAX BENEFITS

There is no Tax Benefit available to Company

II. GENERAL TAX BENEFITS

A. Benefits available to the Company under the Income Tax Act, 1961 ("The I.T. Act.")

Under section 10(34) of the I.T. Act, dividend income (whether interim or final) referred to in section 115-O of the I.T Act, received by the Company, is exempt from tax in the hands of Company

By virtue of section 10(35) of the I.T. Act, the following income shall be exempt, in the hands of the Company:

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

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

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

- Under section 32 of the I.T. Act, the Company is entitled to claim depreciation, subject to the conditions specified therein, at the prescribed rates on its specified assets used for its business
- Under section 35D the Company is entitled to amortize such certain preliminary expenditure including expenditure in connection with the issue, for public subscription, of shares of the Company, being under writing commission, brokerage and charges for drafting, typing, printing, advertisement, etc., of the prospectus.
- By virtue of Section 115JAA of the IT Act, Tax Credit of MAT paid shall be allowed in future year in which tax becomes payable on the total income computed in accordance with the provisions other than section 115JB. Carry forward of such Tax Credit shall not be allowed beyond the tenth assessment year immediately succeeding the assessment year in which tax credit becomes allowable.

B. To the Members of the Company

B1. Under the Income Tax Act, 1961

1. All Members

- By virtue of Section 10(38) of the Income Tax Act, 1961, income arising from transfer of a long term capital asset, being an equity share in the Company is exempt from tax, if the transaction of such sale has been entered into on or after the date on which Chapter VII of the Finance (No.2) Act, 2004 comes into force and such transaction is chargeable to the Securities Transaction Tax under that Chapter. However, the long-term capital gain of a share holder being a Company shall be subject to income tax computed on book profit under section 115JB of the Income Tax Act, 1961
- By virtue of Section 111A inserted by Finance (No.2) Act, 2004, Short term capital gain on transfer of equity share of the Company shall be chargeable to tax @ 15%, if the transaction of such sale has been entered into on or after the date on which Chapter VII of the Finance (No. 2) Act, 2004 comes into force and such transaction is chargeable to Securities Transaction Tax under that Chapter

2. Resident Members

- By virtue of Section 10(34) of the IT Act, income earned by way of dividend income from a domestic Company referred to in Section 115-0 of the IT Act, is exempt from tax in the hands of the shareholders.
- Under Section 54EC of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gains are invested upto ₹ 50 lacs within a period of 6 months from the date of transfer in the bonds issued by;
 - National Highways Authority of India constituted under section 3 of National Highways Authority of India Act, 1988;
 - Rural Electrification Corporation Limited, a Company formed and registered under the Companies Act, 1956;

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

- Under Section 54F of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gains arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the Company will be exempt from capital gain tax, if the net consideration from such shares are used for purchase of residential house property within a period of one year before or two years after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer. If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the new assets are transferred or converted within three years from the date of their acquisition.

- Under Section 112 of the Income Tax Act, 1961 and other relevant provisions of the Act, long term capital gains arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months shall be taxed at a rate of 20% (plus applicable surcharge and education cess) after indexation as provided in the second proviso to Section 48 or at 10% (plus applicable surcharge and education cess) (without indexation), at the option of the Shareholders.

3. Non Resident Indians/Members (other than FIIs and Foreign Venture Capital Investors)

- By virtue of Section 10(34) of the IT Act, income earned by way of dividend income from domestic Company referred to in Section 115-0 of the IT Act, is exempt from tax in the hands of the recipients.

Tax on Investment Income and Long Term Capital Gain

- A non-resident Indian (i.e. an individual being a citizen of India or person of Indian Origin) has an option to be governed by the provisions of Chapter XIIA of the Income Tax Act, 1961 viz. "Special Provisions Relating to Incomes of Non-Residents"
- Under Section 115E of the Income Tax Act, 1961, where shares in the Company are subscribed for in convertible Foreign Exchange by a Non Resident Indian, capital gains arising to the non-resident on transfer of shares held for period exceeding 12 months shall be concessionally taxed at the flat rate of 10% (plus applicable surcharge and education cess) without indexation benefit but with protection against foreign exchange fluctuation. Capital gain on transfer of Foreign Exchange Assets, not to be charged in certain cases.
- Under provisions of Section 115F of the Income Tax Act, 1961, long term capital gains arising to a non resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange shall be exempt from Income Tax if the net consideration is reinvested in specified assets or in any savings certificates referred to in clause 4B of Section 10 within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets or any such savings certificates are transferred or converted within three years from the date of their acquisition.

Other Provisions

- Under the first proviso to Section 48 of the Income Tax Act, 1961, in case of a non-resident, in computing the capital gains arising from transfer of shares of the Company acquired in convertible foreign exchange (as per exchange control regulations) protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.
- Under Section 54EC of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gains are invested upto ₹ 50 lacs within a period of 6 months from the date of transfer in the bonds issued by;
 - National Highways Authority of India constituted under section 3 of National Highways Authority of India Act, 1988;
 - Rural Electrification Corporation Limited, a Company formed and registered under the Companies Act, 1956;

- If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the new assets are transferred or converted within three years from the date of their acquisition.
- Under Section 54F of the Income Tax Act, 1961 and subject to the condition and to the extent specified therein, long term capital gains arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the Company will be exempt from Capital gains tax subject to other conditions, if the net consideration from such shares are used for purchase of residential house property within a period of one year before and two year after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer.
- If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the new assets are transferred or converted within three years from the date of their acquisition.
- Under Section 112 of the Income Tax Act, 1961 and other relevant provisions of the Act, long term capital gains arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months shall be taxed at a rate of 20% (plus applicable surcharge and Education Cess) after indexation as provided in the second proviso to Section 48; indexation not available if investments made in foreign currency as per the first proviso to section 48 stated above) or at 10% (plus applicable surcharge and Education Cess) (without indexation), at the option of assessee.

4. Mutual Funds

- In terms of Section 10 (23D) of the Income Tax Act, 1961, mutual funds registered under the Securities and Exchange Board of India Act 1992 and such other mutual funds set up by public sector banks or public financial institutions authorized by the Reserve Bank of India and subject to the conditions specified therein, are eligible for exemption from income tax on their entire income, including income from investment in the shares of the Company.

5. Foreign Institutional Investors (FIIs)

- By virtue of Section 10(34) of the IT Act, income earned by way of dividend from another domestic Company referred to in Section 115-0 of the IT Act, is exempt from tax in the hands of the institutional investor
- The income by way of short term or long term capital gains realized by FIIs on sale of shares in the Company would be taxed at the following rates as per Section 115AD of the Income Tax Act, 1961.
 - Short term capital gains - 30% (plus applicable surcharge and Education Cess)
 - Short term capital gains covered U/s 111A- 15% (plus applicable surcharge and Education Cess)
- Long term capital gains - 10% (without cost indexation) plus applicable surcharge and Education Cess (shares held in a Company would be considered as a long term capital asset provided they are held for a period exceeding 12 months)
- Under Section 54EC of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gain are invested within a period of 6 months after the date of such transfer for a period of 3 years in the bonds issued by National Highways Authority of India constituted under section 3 of National Highways Authority of India Act, 1988;

- Rural Electrification Corporation Limited, registered under the Companies Act, 1956;
- If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the new assets are transferred or converted within three years from the date of their acquisition.

6. Venture Capital Companies / Funds

- In terms of Section 10 (23FB) of the Income Tax Act, 1961, all Venture Capital Companies Funds set up to raise funds for investment and registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from income tax on all their income, including income from dividend.

B2. Under the Wealth Tax Act, 1957

Shares of the Company held by the shareholder will not be treated as an asset within the meaning of Section 2 (ea) of Wealth Tax Act, 1957 hence Wealth Tax Act will not be applicable.

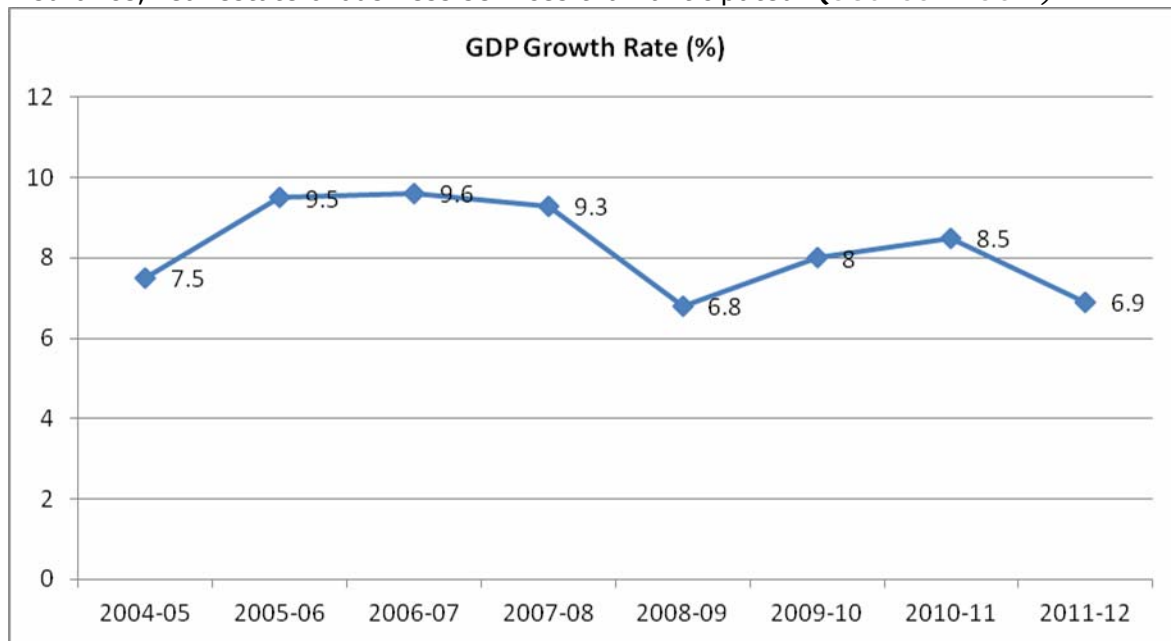
Notes:

1. All the above benefits are as per the current tax law as amended by the Finance Act, 2011 and will be available only to the sole/ first named holder in case the shares are held by joint holders.
2. In respect of non residents, taxability of capital gains mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreements, if any, between India and the country in which the non-resident has fiscal domicile.
3. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor, with respect to specific tax consequences of his/her participation in the issue.
4. The above statement of possible direct and indirect taxes 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.

INDUSTRY OVERVIEW

Review of Indian Economy

Indian economy has registered a growth of 6.9 percent in FY 2011-12, against 8.5 percent in 2010-11. The downward revision in the GDP growth rate is based on account of lower performance in mining & quarrying, manufacturing & trade, hotels, transport, & communication and finance, insurance, real estate & business services than anticipated. **(Source: MOSPI)**



(Source: MOSPI and Planning commission)

Indian economy remained affected by global factors. Globally, in FY12 threat of sovereign crisis in euro zone countries loomed throughout the year. Large scale liquidity infusions by the European Central Bank have significantly reduced the stress in global financial markets. However, a sustainable solution to the euro area debt problem is yet to emerge. Recent developments, for example in Spain, indicate that the euro area sovereign debt problem will continue to weigh on the global economy. To add to the woes, US economy is still not out of the woods but showing signs of modest recovery. Ratings downgrade has led to risk aversion in global investors. In addition, Middle East continued to remain in political uncertainty and fears of slowdown in China was felt. Political unrest in the Middle East and North African region resulted in Crude oil prices remaining high during the year.

Domestically, the economic situation looks bleak too. GDP growth was below expectation. It came down sharply to 6.9% from an expectation of 8.5% in the beginning of the year. Policy paralysis has affected the sentiments of the investors both domestic and global. Key economic variables like inflation and interest rates were not favorable during the year. Inflation hit peak levels and continuous increase in interest rates led to liquidity crunch. In addition, rupee remained under pressure and depreciated against the US dollar owing to worsening domestic macro environment and strengthening in US dollar with risk aversion. All the above factors had resulted slowdown in rate sensitive sectors like Banking, Infrastructure, Housing and Auto.

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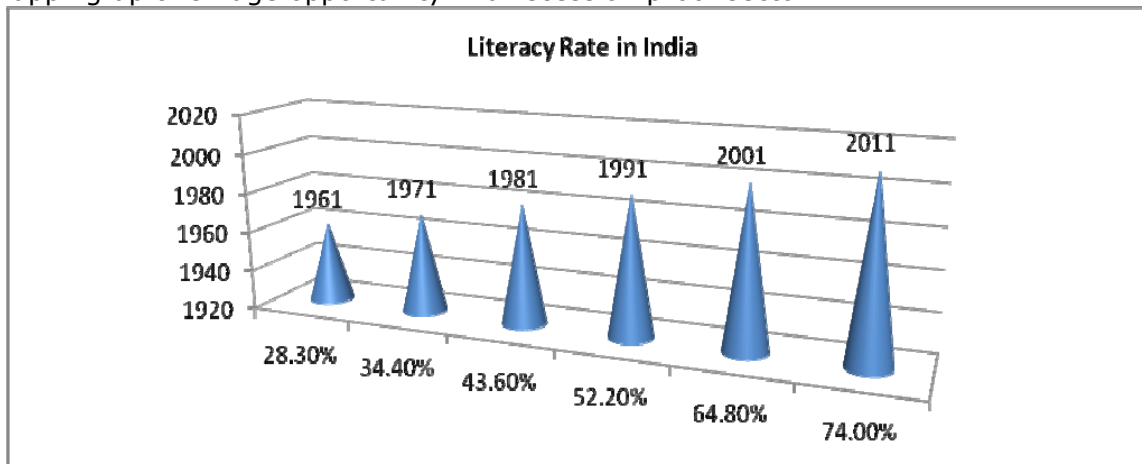
Indian Education System

India with over 1 billion population has the second largest education system in the world. Education system in India is powered by public as well as private sector, with control and funding received from 3 levels: federal, state and local.

Among all the states in India on one hand we have Kerala with 93.9% literacy rate (2011 census) and on the other we have Bihar with only 63.8% literates (2011 census). But another fact of this situation is that this gap has improved significantly in last 10 years where the gap between literacy rates for two states has reduced from 43.9 percentage points (2001) to 30.1 percentage points (2011). The general rate of literacy in the country has climbed up from 64.8% in 2001 to 74.04% in 2011. However the government is still trying hard to achieve the target of 85% literacy as set out by planning commission to be achieved by year 2012.

Presently Indian education system is trying to grow ahead from strength to strength despite all the limitations imposed by limited resources and facilities that can be pledged towards education. Its educational infrastructure is improving with every passing year and as on date shining out some of the world's best professionals. An important element of this growth is of private sector with the active participation in the education system at various levels. Today private sector is not only an important force in empowering the education ancillary services but also running the temples of learning to enlighten the students of this country.

The reason of this change has come out with the fact that a huge part of Indian population has started saving for their children's best education. With education gradually being looked at as an investment as opposed to an inevitable expense, the higher education market size in India is expected to grow by over US\$30 billion in the next five years. With this change people were fast in lapping up this huge opportunity in a recession proof sector.



In the last 50 years, education has been a priority sector for the Government of India. As can be seen in the above chart, literacy rate in India has been evolving at a constant pace over last 50 years which has gained momentum in the last 30 years. This change has come about with the increasing realization of importance of education in well being and growth of a nation. Till 1991 population was seen as a problem in the country. But then came the services boom which changed the mindset of policy makers and public. Since then the focus on education was rekindled and the sector gained attention.

Indian Education Sector

The education industry in India can be broadly classified into the Regulated segment (K12 and higher education) and the Un-regulated segment (pre-school, multimedia, ICT, coaching cases, vocational training and books).

The expected market size of K-12 sector in 2012 (E) is US\$ 34 billion, as compared to US\$ 20 billion in 2008. The corresponding figures for the higher education sector are US\$ 10.3 billion in 2012 (E) as compared to US\$ 6.5 billion in 2008. The coaching institutes in India are expected to increase from US\$ 0.3 billion in 2008 to US\$ 0.6 billion in 2012 (E). Similarly, the Pre-schools market in the country is expected to clock a rise of 36 per cent from US\$ 0.3 billion to US\$ 1 billion and the vocational training from US\$ 1.6 billion to US\$ 4 billion in 2012 (E).

(Source: www.ibef.org/industry/educationtraining.aspx)

According to a study conducted in 2010 by the Associated Chambers of Commerce and Industry of India, it has been found that about 55% of the country's middle class households have started saving for their children's higher education. The association's report revealed that the government is planning to spend about 5% of its GDP revenues in the next five years on education. Subsequently, India's market for primary, secondary and tertiary education could be over US\$50 billion by the year 2015.

ASSOCHAM remained hopeful that in the next five years, the total market size of Indian education might go beyond US\$50 billion due to higher GDP spending expectations on the sector, an increase in disposable income for urban areas and the planned increase in enrolment to higher education of 15% from its low at 9% currently.

ASSOCHAM projections pointed out that the 2009/2010 fiscal year witnessed about 15% of the country's urban per capita monthly household income spent on education. When the gross enrolment ratio is contrasted against a global average of 23%, 54.6% for developed countries and 23% for Asian countries; India has a low of 10%. Many constraints in the education sector in the country have over the time pushed students to private institutions. About 45,000 Indian students spend a total of US\$30 billion on overseas education.

(source: <http://www.assocham.org/prels/shownews-archive.php?id=2434>)

Access to education remains an issue in India despite the government's massive investments in the sector. However, a new government law that makes education mandatory for all children and compels private schools to reserve one quarter of their admissions for students from impoverished backgrounds is expected to bridge the inequalities.

(Source: <http://www.investinindia.com/news/investment-potential-indian-education-industry-expected-cross-50-billion-mark-2015>)

According to the study about 9% of middle level households saved for education a few years back which has risen to 55% over the period. India along with peers like Brazil, Russia and China falls in the category of countries which spend 2-4% of their GDP on education. Developed countries spend anywhere between 5-6%. In order to convert the vast young population of India into a resource driven force, India will have to incur far higher expenditure on education going forward. The government proposes to increase the education expense to 5% of GDP from the current levels of 3%.

a) Historical spent on Education (₹. in cr)

Year	Expenditure on Education	GDP at Current Prices	% of GDP
2008-09	82,846	2,102,313	3.9
2007-08	79,866	2,278,952	3.5
2006-07	85,507	2,454,561	3.5
2005-06	89,079	2,754,620	3.2
2004-05	96,694	3,149,407	3.1
2003-04	11,323	3,70,647	3.1
2002-03	11,034	4,28,397	2.6
2001-02	13,056	4,94,786	2.6
2000-01	15,441	5,57,445	2.8

(Source: MOSPI and Planning commission)

b) Increase in Private Expenditure on Education

Private final consumption expenditure on education is on the rise. This shows that with an increase in per capita income, people are willing to spend more on education once their basic needs of food and clothing are satisfied.

(%)				
Particulars	FY01	FY03	FY05	FY07
Uptrend				
Education	2	2.2	2.4	2.5
Appliances	3.4	3.3	3.6	4.0
Transport	14	16	17	18
Others	10	11	12	14
Downtrend				
Food & Beverages	48	46	43	42
Clothing & Footwear	6	6	5	5
Rent, Fuel, Power	11	11	11	10
Healthcare	5	5	5	4

Source: Planning Commission

c) Migration towards Knowledge Economy

Over past few years the contribution of services sector has been on the rise in India. The share of services in India's GDP at factor cost (at current prices) has increased rapidly; from 30.5% in 1950-51 to 55.2% in 2009-10. This share goes upto 63.4% If construction is also included.

The growth in the services sector in India has been led by the IT-ITeS sector which has become a growth engine for the economy, contributing substantially to increases in the GDP, employment, and exports. This sector has improved its contribution to India's GDP from 4.1 per cent in 2004-05 to 6.1 per cent in 2009-10 and an estimated 6.4 per cent in 2010-11. The industry has also helped expand tertiary education significantly. Top seven States that account for about 90 per cent of this sector's exports have started six to seven times more colleges than other States.

(Source: <http://indiabudget.nic.in/es2010-11/echap-10.pdf>)

d) Key facts about Indian Education Sector

According to the Department of Industrial Policy and Promotion (DIPP), FDI inflows in the education sector during the period April 2000 to September 2011 stood at US\$ 464.98 million. According to the Ministry of Human Resource Development (HRD) Annual Report 2010-11, India has 544 university level institutions, which includes 261 state universities, 73 state private universities, 42 central universities, 130 deemed universities, 33 institutions of national importance and five institutions established under various state legislations. The country has around 79 centrally funded institutions, which includes 15 Indian Institutes of Technology (IITs), 11 Indian Institutes of Management (IIMs) and 30 National Institutes of Technology (NITs).

(**Source:**<http://www.oifc.in/Sectors/Education>,http://mhrd.gov.in/sites/upload_files/mhrd/files/AR2010-11_Part1.pdf)

e) Structure of Indian Education System

We can classify the Indian education system in formal and informal education system; the difference is due to the regulations. Formal system is regulated by different bodies constituted by central and state government, while the informal system is not governed by any direct regulations. Another difference between two systems is the course they offer. On one end we have different government bodies like National Council of Educational Research and Training (NCERT) prescribing the course for the formal system on the other end informal system prescribes its own course which is some time in conjunction or similar to formal system but does not strictly follow to the guidelines.

The system that supports / services entire education and training sector both formally and informally is the educational services system. Education services have been in existence in India since the education sector came up. The scope of these services is very large consists services like

- ❖ Transport Fleet Management
- ❖ Printing and Publication: - Done for reference material other than that published by AICTE
- ❖ Management
 - Canteen
 - Hostel
 - Facility
- ❖ Information Technology Infrastructure
- ❖ Payroll Management
- ❖ Examination Management
- ❖ Event Management
- ❖ Exams Management

Many of these services are outsourced by the institution and many of them spring up near institutions with need. For example, if a school does not have a bus to ferry its students it can outsource it to someone or not take the responsibility at all. In case the responsibility is not taken by the school then several arrangements around the school would come up like autos, minibuses, vans etc.

The aforesaid list and examples are just indicative, educational services sector can consists of various activities that are carried. The exceptions to these services are the services that have to be provided by any institution under the statute under which it has been formed.

The government institutions and most of the private institutions would offer the services to students by their own staff or not offer them at all. These institutions would not outsource any services either due to absence of precedents or lack of qualified agencies / agents that could give specialized services like these.

This scenario changed rapidly with India moving towards knowledge economy. It became difficult to find skilled manpower to oversee ancillary activities that were not core to imparting education. With this problem came a solution, "an organization should outsource all non core activities". Some new age private sector universities took the lead in this and showed the way which was followed by others.

f) Structure of Public Sector Education Institutions in India

Indian Government is responsible for major policy related to higher education in the country. It provides grants to University Grants Commission (UGC) and establishes Central universities in the country. The Indian Government is also responsible for declaration of Education Institutions as "Deemed to be University" on the recommendation of the UGC. State Governments are responsible for establishment of State Universities and colleges, and provide plan grants for their development and non-plan grants for their maintenance.

University Grants Commission (UGC) is responsible for coordination, determination and maintenance of standards, release of grants. Professional councils are responsible for recognition of courses, promotion of professional institutions and providing grants to undergraduate programmes and various awards. The statutory professional councils are:

- ❖ All India Council of Technical Education (AICTE)
- ❖ Medical Council of India (MCI)
- ❖ Indian Council for Agricultural Research (ICAR)
- ❖ National Council for Teacher Education (NCTE)
- ❖ Dental Council of India (DCI)
- ❖ Pharmacy Council of India (PCI)
- ❖ Indian Nursing Council (INC)
- ❖ Bar Council of India (BCI)
- ❖ Central Council of Homeopathy (CCH)
- ❖ Central Council for Indian Medicine (CCIM)
- ❖ Council of Architecture
- ❖ Distance Education Council
- ❖ Rehabilitation Council
- ❖ State Councils of Higher Education

(**Source:** <http://www.education.nic.in/uhe/uhe-overview.asp>)

g) Technical Education in India

Technical education in India contributes a major share to the overall education system and plays a vital role in the social and economic development of our nation. In India, technical education is delivered at various levels such as: craftsmanship, diploma, degree, post-graduate and research in specialized fields, catering to various aspects of technological development and economic progress.

India's technical institutions attract some of the best and brightest students in the world. The Indian Institutes of Technology are world renowned and their graduates are represented in some of the world's leading corporations.

AICTE was set-up in November 1945 as a national level Apex Advisory Body to conduct survey on the facilities on technical education and to promote development in the country in a coordinated and integrated manner and to ensure the same AICTE was vested with statutory authority for planning, formulation and maintenance of norms and standards, quality assurance through accreditation, funding in priority areas, monitoring and evaluation, maintaining parity of certification and awards and ensuring coordinated and integrated development and management of technical education in the country.

The purview of AICTE (the Council) covers programs of technical education including training and research in Engineering, Technology, Architecture, Town Planning, Management, Pharmacy, Applied Arts and Crafts, Hotel Management and Catering Technology etc. at different levels.

(**Source:** http://www.gov.in/sectors/education/education_overview.php)

h) Technical Education in India: Present Scenario

In India Technical education is witnessing a consistent growth marked by the setting up of new Institutions and the improvement of the existing ones in tune with the quality assurance norms set

by the National Board of Accreditation (NBA). The Council believes in providing a proper momentum to Institutions in generating capable engineers and scientists and encourages them to think beyond the curriculum while imparting training for the advancement of knowledge.

The growth of Technical Education before independence in India has been very slow. The number of Engineering Colleges and Polytechnics (including Pharmacy and Architecture Institutions) in 1947 was 44 and 43 respectively with an intake capacity of 3200 and 3400 respectively.

With the efforts made and initiatives taken during successive Five Year Plans and particularly due to policy changes in the eighties to allow participation of Private and Voluntary Organizations in the setting up of Technical Institutions on self-financing basis, the growth of Technical Education has been extraordinary.

Growth of different Programs in Technical Education

Year	Engi neeri ng	Manag ement	MCA	Pharm acy	Architect ure	HMCT	Total	Added during the year
2005-06	1475	1888	1576	629	118	70	5756	383
2006-07	1511	2031	1619	665	116	64	6066	250
2007-08	1668	2062	1642	854	116	81	6423	417
2008-09	2388	2734	1768	1021	116	87	8114	1691
2009-10	2942	3482	1888	1054	106	93	9565	1451
2010-11	3241	858	1937	1102	125	101	10364	799

Growth of Seats in different programs in Technical Education

Year	Engine ering	Manag ement	MCA	Phar macy	Archite cture	HMCT	Total	Adde d durin g the year
2005-06	499697	122663	61991	32708	4379	4435	725873	40691
2006-07	500986	144372	63394	39517	4543	4242	807054	81181
2007-08	653290	185780	78692	52334	4543	5275	979914	182860
2008-09	841018	227989	82578	64221	4543	5794	1226133	246219
2009-10	1071896	273732	121123	72836	4133	6387	1550107	323974
2010-11	1324246	378907	135173	103867	4933	7061	1958482	404375

(**Source:** AICTE: All India Council for Technical Education Approval process Hand Book (2011-2012))

Growth Drivers of Indian Education Sector

During last 60 years, Indian literacy rate has grown steadily. This growth rate compounded with exponential growth in population of the country only indicates towards the exogenous and endogenous factors of growth that are at play in the country contributing to the growth of nation eventually. Some of these factors are as follows:

Increasing disposable income: Over the years, average household income in India and affordability levels has improved considerably. This evolvement of households from lower income to higher income bracket will provide an impetus to spend on education by private households.

Household spend on education: The National Accounts Statistics ("NAS") presents estimates on 'private final consumption expenditure in the domestic market' on education in current prices and also in constant prices. They are also available as a proportion of the total private final consumption expenditure. The 'private final consumption expenditure' on education is regarded as the household expenditure on education. As a proportion of the total household expenditure, the share of education increased from 0.6% in 1950-51 to 2.6% in 2007-08.

Demographic dividend

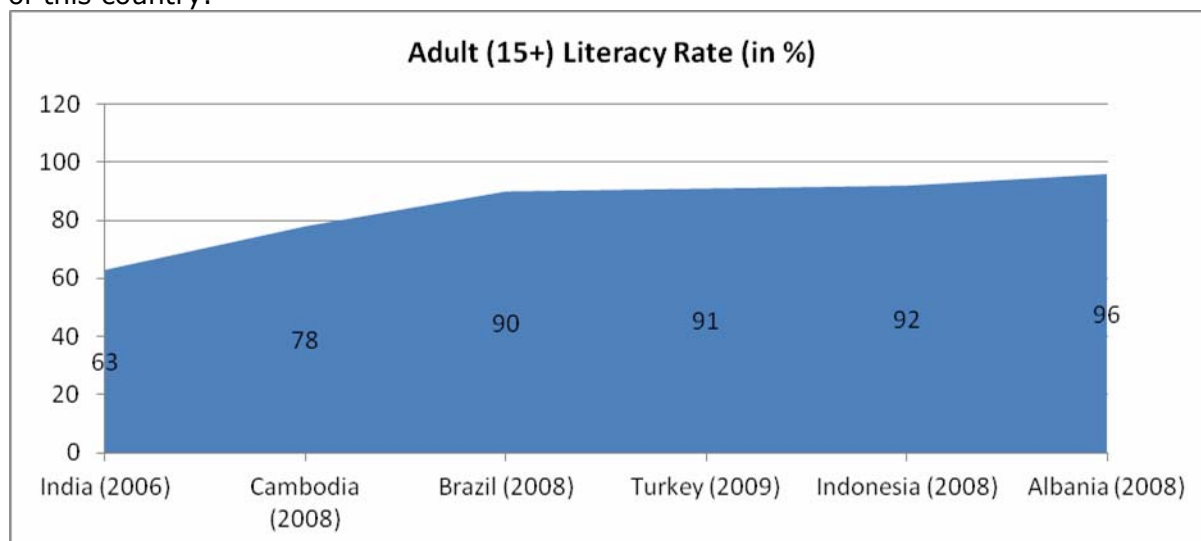
Break up of population in percentage

Age	2001	2006	2011	2016 (E)
0-4	12%	10%	10%	9%
5-19	34%	32%	30%	27%
20-24	9%	9%	10%	10%
25-29	8%	8%	9%	9%
30-59	31%	32%	34%	36%
60+	7%	8%	8%	9%

Break up of Specific Groups (In millions)

Age	2001	2006	2011	2016 (E)
20-24	91.0	103.0	118.0	120.8
25-29	82.9	90.0	102.0	116.9

As can be seen in the tables above, India is a young country with just a little less than half the population in the age bracket (5-29) where education can be imparted. This entire demographic shift has in the past been accompanied by educational institutes to enlighten the mind of the people of this country.



(Source: <http://unstats.un.org/unsd/demographic/products/socind/literacy.htm>)

The above statistics show the condition of literacy in the select age group of 15+ which is lower than country like Brazil and Cambodia amongst others. With this rate of education it would be very difficult to sustain an economy which today is primarily driven by services.

Moreover the current concentration of age bracket which is 5-19 would slowly shift towards 20-29. This shift again needs to be accompanied by building in the capacity for imparting higher education. This change is reflected in the increasing number of institutions offering degree and diploma course.

Demographic structure favors investment in Education

Age Group	Category	Population (in cr)	% of Population
0-3		7.5	6.5
4-6	Pre- Primary	7.9	6.8
7-11	Primary (I-V)	14.4	12.4
12-14	Upper Primary (VI-VII)	8.5	7.3
15-18	Secondary (IX-XII)	9.7	8.3
19-24	Higher (XII+)	12.6	10.9

(Source: www.indiademographics.com)

Government Impetus

Government impetus has been the driving force behind the growth in education sector as it is also the regulator for the same. It has came up with various programs like mid day scheme; education for all etc. to ensure education for all in the country.

The Eleventh Plan places greater emphasis on education as a central instrument for achieving rapid and inclusive growth by expanding access, improving quality and bridging regional, social and gender gaps at all levels of education. In the eleventh plan Indian government tried to expand, include and improve the quality of education throughout the higher and technical education system by enhancing public spending, encouraging private initiatives, and initiating the long overdue major institutional and policy reforms.

Government has set a target of increasing the Gross Enrolment Ratio (GER) from the present level of about 12% to 15% by the 2011-12 which would result in additional 75 lacs enrolments in universities and colleges. It further plans to take this to 30% by the year 2020. Various new initiatives are being taken by the Government for achieving the same.

The government allows 100 per cent FDI in the education sector. The proposed allocation for education under the Eleventh Five-Year Plan (2007-12) would be US\$ 65.21 billion, taking the share of education in total planned expenditure from 7.7 per cent to 20 per cent.

Apart from these measures Indian government has put various policies and acts in place to give a boost to the sector for harnessing the demographic dividend of the country. The government has also identified right to education as an effective tool of empowerment for removing social imbalances.

In the Union Budget 2012-13, ₹. 25,555 crore has been provided for RTE-SSA (Sarva Siksha Abhiyan) representing an increase of 21.7 per cent over 2011-12. In addition, 6,000 schools proposed to be set up at block level as model schools in Twelfth Plan. ₹.3,124 crore provided for Rashtriya Madhyamik Shiksha Abhiyan (RMSA) representing an increase of 29 per cent over BE 2011-12. To ensure better flow of credit to students, a Credit Guarantee Fund proposed to be set up.

National Skill Development Corporation has approved projects that are expected to train 6.2 crore people at the end of 10 years. The National Skill Development Fund has been allocated Rs 1,000

crore (US\$ 0.19 billion) for the period 2012-13. To improve the flow of institutional credit for skill development, a separate Credit Guarantee Fund will be set up. "Himayat" scheme introduced in Jammu and Kashmir (J&K) to provide skill training to 100,000 youth during the next 5 years and the entire cost will be borne by the Government of India

(Source

:Annual Plan 2010-2011,

http://planningcommission.nic.in/plans/annualplan/ap1011/AP_10_11pdf_Eng.pdf

<http://www.aicte-india.org/mhrd.html>;

<http://education.nic.in/stats/AboutSurvey.pdf>

<http://www.oifc.in/Sectors/Education>) –

- Recent regulatory developments in Education Sector

The cabinet on 10th May, 2012 cleared three crucial legislations in the education sector, allowing for mandatory accreditation of higher educational institutions, setting up innovation universities as hubs of excellence in research and innovation, and the copyright bill.

The National Accreditation Regulatory Authority for Higher Educational Institutions Bill, 2012 will improve the quality of higher education in the country as it will make accreditation of higher educational institutions mandatory and provide for an institutional structure for registering, monitoring and auditing accrediting agencies.

The cabinet also cleared the Universities for Research and Innovation Bill that provides for establishment and incorporation of universities for research and innovation which would be at the forefront of making India a global knowledge hub.

(Source: <http://timesofindia.indiatimes.com/home/education/news/Govt-clears-for-3-key-bills-on-education/articleshow/13088840.cms>)

Cloud Computing

Cloud computing is a deployment model for applications that is used by organizations in order to reduce infrastructure costs and/or address capacity/scalability concerns. Effectively these organizations don't want to own the assets or to operate the system in their own data centers. It refers to buying results not assets (of course, it is still possible to own the intellectual property in the software and to have it operating in the cloud). In short, it refers to a pay-per-use model of computing where applications and software are accessed over the Internet and not owned by users. It helps companies to save huge costs as they do not have to invest heavily in IT infrastructure.

It is a new delivery method and choice available today for K-12 and Higher Education Enterprise Systems. It is a massively scalable, offsite infrastructure accessible on demand across the internet on a pay-per-use basis eliminating upfront investment costs. In this challenging economic environment, it enables institutions to drastically reduce their IT costs involved in automating their administrative and academic processes.

Market size

According to Independent studies, the size of cloud computing market is currently about USD 400 million. **(Source:** The study, 'private cloud landscape in India' was done by EMC Corporation, a provider of IT service and solutions, and Zinnov Management Consulting, a management consulting firm.)

According to Zinnov Management Consulting, India's cloud computing market is expected to reach USD 4.5 billion by 2015. Of this private cloud adoption will dominate and account for \$3.5 billion in revenues, growing at over 60%. As per a study commissioned by Microsoft and conducted by International Data Corporation (IDC). Cloud computing will generate some 14 million new jobs worldwide by 2015, and India alone will create over 2 million.

With the overall environment of cloud adoption fast evolving in India, cloud computing will account for a remarkable share in the total IT spends of enterprises. Total clouds spend as a percentage of the total IT spend is expected to rise up to 8.2% in 2015. IT/ITeS, telecom, BFSI, manufacturing and government sectors will contribute.

(**Source:** <http://www.thehindu.com/business/Industry/article2288102.ece>)

Features

On-demand self-service- A consumer can unilaterally provision computing capabilities, such as server time and network storage, as needed automatically without requiring human interaction with each service's provider.

Broad network access- Capabilities are available over the network and accessed through standard mechanisms that promote use by heterogeneous thin or thick client platforms (e.g., mobile phones, laptops, and PDAs).

Resource pooling- The provider's computing resources are pooled to serve multiple consumers using a multi-tenant model, with different physical and virtual resources dynamically assigned and reassigned according to consumer demand. There is a sense of location independence in that the customer generally has no control or knowledge over the exact location of the provided resources but may be able to specify location at a higher level of abstraction (e.g., country, state, or datacenter). Examples of resources include storage, processing, memory, network bandwidth, and virtual machines.

Rapid elasticity- Capabilities can be rapidly and elastically provisioned, in some cases automatically, to quickly scale out, and rapidly released to quickly scale in. To the consumer, the capabilities available for provisioning often appear to be unlimited and can be purchased in any quantity at any time.

Measured Service- Cloud systems automatically control and optimize resource use by leveraging a metering Capability at some level of abstraction appropriate to the type of service (e.g., storage, processing, bandwidth, and active user accounts). Resource usage can be monitored, controlled, and reported, providing transparency for both the provider and consumer of the utilized service.

Advantages of Cloud Computing

The following are the key advantages of Cloud Computing:

Scalability

Scalability is a key aspect of cloud computing. The ability of the platform to expand and contract automatically based on capacity needs (sometimes referred to as "elasticity"), and the charging model associated with this, are key elements that distinguish cloud computing from other forms of hosting.

Cloud computing provides resources on-demand for many of the typical scaling points that an organization needs including servers, storage and networking. The on-demand nature of cloud computing means that as your demand grows (or contracts) you can more easily match your capacity (and costs) to your demand. There is no need to over-provision for the peaks.

At the software level cloud computing allows developers and IT operations to develop, deploy and run applications that can easily grow capacity, work fast and never — or at least rarely — fail, all without any concern as to the nature and location of the underlying infrastructure. With easy access to a cost effective, flexible technology platform small competitors can punch well above their weight in terms of application capacity and scalability and can quickly turn into significant adversaries.

Cost Saving

With cloud computing one moves from a capital investment to an operational expense. One of the key advantages offered by cloud computing is that an organization can pay on a consumption basis e.g. per hour, per gigabyte etc. This has a huge impact on the economics. Research firm IDC summed it up thus - *"The cloud model offers a much cheaper way for businesses to acquire and use IT. In an economic downturn the appeal of that cost advantage will be greatly magnified"*.

Business Agility

One of the understated advantages of cloud computing is that it enables an organization to be more agile. The speed at which new computing capacity can be requisitioned is a vital element of cloud computing. Adding additional storage, network bandwidth, memory, computing power etc can be done rapidly and often instantaneously. Most cloud providers employ infrastructure software that can easily add, move, or change an application with very little, if any, intervention by cloud provider personnel.

This dynamic, elastic nature of cloud computing is what gives it a big advantage over an in-house data centre. Many internal IT departments have to work through procurement processes just to add additional capacity. Once the procurement has been authorised it can still take weeks to acquire and rack new equipment. In many cases the demand for IT services is outstripping the ability of the IT department to manage using traditional practices. Cloud computing allows organizations to react more quickly to market conditions and to scale up and down as needed. New applications can be quickly released with lower up-front costs.

Built-in Disaster Recovery & Back-up Sites

With cloud computing, the burden of managing technology is placed on the technology provider. It is their responsibility to provide built-in data protection, fault tolerance, self-healing and disaster recovery.

Typical disaster recovery costs are estimated at twice the cost of the infrastructure. With a cloud-based model, true disaster recovery is estimated to cost little more than one times the costs, a significant saving. Additionally, because cloud service providers replicate their data, even the loss of one or two data centres will not result in lost data.

Device & Location Independence

Cloud computing is already enabling greater device independence, greater portability, and greater opportunities for interconnection and collaboration. With applications and data located in the cloud it becomes much easier to enable users to access systems regardless of their location or what device they are using. Teleworkers can be quickly brought online, remote offices can be quickly connected, temporary teams can be easily set up on site, mobile access can be easily enabled.

Resource Optimization

Most internal data centers are oversized and utilization rates are lower. Most servers run significantly below capacity (real world estimates of server utilization in data centers range from 5% to 20%) yet they still consume close to the same amount of power and require the same amount of cooling as a full capacity machine (granted that Virtualization is changing this in some cases). A typical data centre consumes up to 100 times more power than an equivalent sized office building. The carbon footprint of a typical data centre is therefore a significant concern for many organizations.

In a cloud computing environment, resources are shared across applications (and even customers) resulting in greater use of the resources for a similar energy cost. For organizations spread over different time zones the computing power lying idle at one geographic location (during off-work hours) could be harnessed at a location in a different time zone. This reduces not only the power consumption but also the amount of physical hardware required. With cloud computing virtual offices can be quickly set up. Employees can easily work from home. Traveling salespeople can have

all their data available in any location without needing to visit the office. These are just some of the other examples of how the carbon footprint can be reduced.

Service Models

Cloud Software as a Service (SaaS) - The capability provided to the consumer is to use the provider's applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a web browser (e.g. web-based email). The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage, or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

Cloud Platform as a Service (PaaS) - The capability provided to the consumer is to deploy onto the cloud infrastructure consumer-created or acquired applications created using programming languages and tools supported by the provider. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, or storage, but has control over the deployed applications and possibly application hosting environment configurations.

Cloud Infrastructure as a Service (IaaS) - The capability provided to the consumer is to provision processing, storage, networks, and other fundamental computing resources where the consumer is able to deploy and run arbitrary software, which can include operating systems and applications. The consumer does not manage or control the underlying cloud infrastructure but has control over operating systems; storage, deployed applications, and possibly limited control of select networking components (e.g., host firewalls).

Deployment Models

Private cloud - The cloud infrastructure is operated solely for an organization. It may be managed by the organization or a third party and may exist on premise or off premise.

Community cloud - The cloud infrastructure is shared by several organizations and supports a specific community that has shared concerns (e.g., mission, security requirements, policy and compliance considerations). It may be managed by the organizations or a third party and may exist on premise or off premise.

Public cloud - The cloud infrastructure is made available to the general public or a large industry group and is owned by an organization selling cloud services.

Hybrid cloud - The cloud infrastructure is a composition of two or more clouds (private, community, or public) that remain unique entities but are bound together by standardized or proprietary technology that enables data and application portability (e.g., cloud bursting for load balancing between clouds).

(**Source:**http://csrc.nist.gov/publications/drafts/800-145/Draft-SP-800-145_cloud-definition.pdf)

Selecting a public, private, hybrid or community cloud implementation will depend on a customer's specific application, performance, security and compliance requirements. Proper deployment can provide significant savings, better IT services and a higher level of reliability.

BUSINESS OVERVIEW

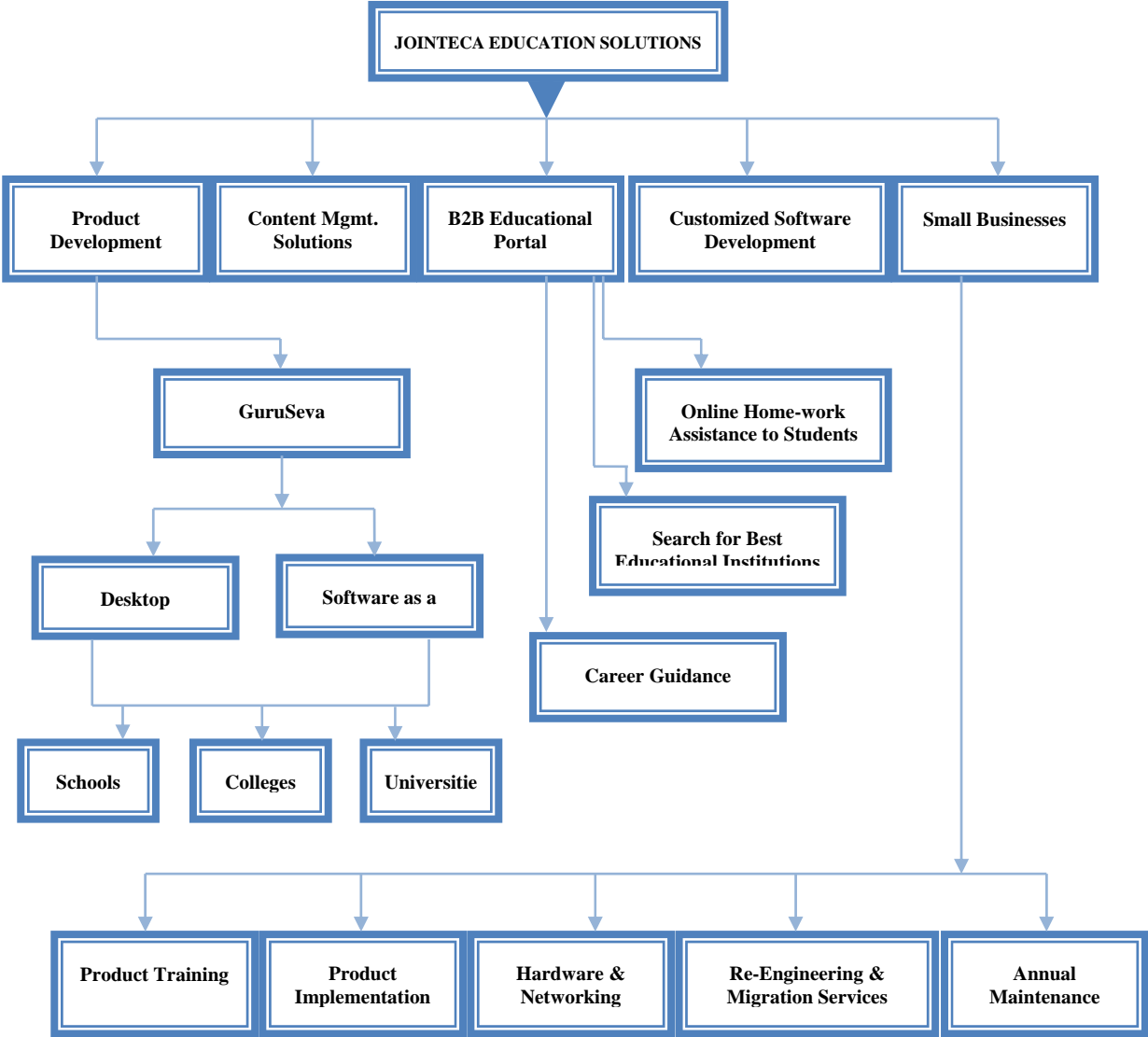
Our Company was incorporated in the year 2011 in Mathura in Uttar Pradesh, India. We offer Educational ERP solutions through our product GuruSeva and our business is concentrated mainly in the Northern Region of India. Our product GuruSeva (Educational ERP Solution) is offered both as a Desktop Application and as a service through the Software as a Service model (SaaS). The main Promoter, Mr. Vishal Mishra possesses an experience of 14 years in the business of providing Educational Solutions through his proprietary concern Jointeca.

Our Company has acquired the business of the Sole Proprietorship concern, M/s. Jointeca Technologie pursuant to a Slump Sale Agreement dated November 10, 2011. We service all kinds of educational institutions including schools, colleges, universities, institutes, etc. We also offer online education through our website portal www.shiklo.in by which we encourage students, parents, teachers to register with us. The portal provides the necessary guidance to students who can choose from a variety of career options.

We are an ISO 9001:2008 certified Company. We have entered into a Memorandum of Understanding (MoU) with TransNational Computer LLC, Dubai for providing complete education management solutions.

Portfolio of Offerings

Our offerings may be categorized as follows:



Our Competitive Strengths

1. Qualified and Experienced management and a motivated employee base

The top management possesses extensive functional experience in the IT Industry. The Key Managerial Personnel hold the requisite experience and knowledge to successfully manage Global Delivery Model specific to IT product business.

2. Well Established Client Relationships

Over the last decade, we have established a solid client base across the industry segments which can be leveraged to offer our existing as well as future offerings. Further, these relationships might help us in acquiring new clients to grow our business.

3. Strong Technical Capabilities

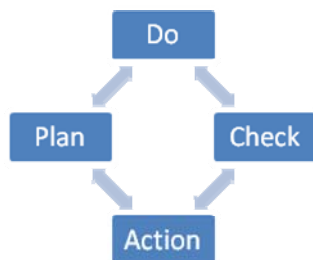
We have the expertise to develop solutions with the probable combinations of various tools and technologies encompassing the following:

Operating System	Windows 98, Windows NT, Windows 2000, Windows XP, Windows 2003, Linux,
Language	JAVA, VB.NET, C#, C, C++
Data Base	Oracle, MS-SQL Server, Sybase, Informix, DB2, MySQL
Reporting Tools	MS SQL Server Reporting, Crystal Reports, BO Reports, Active Reports, IntelliView
Web Technologies	ASP.NET, ASP, JSP, HTML, DHTML, XML, VXML,
Web Servers	IIS, Apache & BEA Web logic Server, Java & IBM Web
ERP	SAP, Oracle Applications, CRM, SCM
Multimedia Tools	Flash, Dream weaver, Photoshop, CorelDraw,

4. Maintaining focus on Major Industry segments

Our current offerings are focused on major industry sectors like Educational Management Solutions, Healthcare services, Publication Houses, Student Networks and Workforce Management. We aim to provide complete end to end solution catering to these market segments. We believe that our comprehensive range of product and service offerings help our clients achieve their business objectives and enable us to obtain additional business from existing clients as well as address a larger base of potential new clients.

5. Our Quality process



Jointeca is committed to convert virtual into real solutions to the satisfaction of the customer by continually improving skills, system and technology.

6. Product & Services Mix

We have developed a strong product and services portfolio, which we intend to strengthen further. We would continue to leverage on this domain expertise as well as the product portfolio to offer comprehensive solutions to our customers.

BUSINESS MODEL OF GURUSEVA

Our product GuruSeva is being sold on the Channel Partner Network Model and currently has more than 29 dealers in our network. We identify the customers for GuruSeva with the help of our own sales team as well as channel partners to demonstrate our product. Once the need is identified, the assessment of customization (if any) is done. Our employees and channel partners perform on site delivery.

Our Channel Partner is engaged in the distribution of products and the Company equips the partner to provide support to the client by training, hosting demonstration and customer evaluations for the product. The channel partner markets the product, secures the orders, handles the enquiries and complies with all laws and regulations of the land. The Channel Partner also provides customers and potential customers with business requirement analysis, product configuration, system integration and training, technical product support and maintenance.

Some of the strategies adopted by us are:

1. To penetrate into new markets like Nepal, GCC and African Countries
2. Focus on major Industry segments like Educational Management Solutions, Healthcare services, Publication Houses, Student Networks and Workforce Management.
3. To plan to offer cross-selling opportunities by expanding the scope and range of services that can be offered to the existing customers
4. To expand the client base through acquisition of new clients
5. To continue to invest in R&D for product development and technology deployment
6. To allow seamless integration of complex data collection and management systems with the Company's business processes thereby giving the advantage of accessing all business processes from a single application
7. To offer services through delivery models such as BOOT and SaaS as well as through conventional delivery channels like Onsite, Offshore Center and Hybrid model
8. To invest in the development of our brand through brand building efforts, communication and promotional initiatives like interaction with industry research organizations, public relations and investor relations efforts
9. To continue to promote our organization as an employee owned, managed and driven organization
10. To enhance professional and personal growth of all the persons associated with us
11. To focus and work on continuous improvement in our quality standards

Future Growth Strategies

We have positioned ourselves to maintain and enhance our position in the Educational Management Domain. We plan to grow in a balanced phase by consolidating our strengths and improving our existing facilities.

Some of the future growth strategies planned to be adopted by us is as follows:

1. Channel Partners

We plan to explore new markets in India and overseas with the help of channel partners to increase our revenues and deepen relationships with channel partners and clients. We expect to create 2000 channel partners by 2015

2. Brand Recognition of "Jointeca"

Our Company has further planned to increase the recognition of its brand vis-à-vis competition through various brand building efforts, effective communication and by taking various promotional initiatives. This would enhance the visibility of our brand and increase our position in the business and credibility in the long run in the education space.

3. Multi-Domain and Technology presence

We believe in having the ability to deliver solutions across domains and technologies and by de-risking the revenue stream.

4. Maintain the spotlight in the Education Sector

We are currently serving the needs of education sector, especially in schools and universities. We suppose that this segment is a well grown one and it requires better attention and professional support to grow in size, quality and service offerings in a sustainable manner. We are focussing on partnering with institutes and become an integral part of their growth agenda.

5. Cost effective solutions and margins improvement

We believe in delivering cost effective quality solutions. We will increase the offshore component in our assignments steadily and significantly and build flexible frameworks, which will enable us to deliver cost effective quality solutions and improve margins.

We also believe that achieving a significant mass and momentum is very critical to long-term survival and growth. We will leverage on our strong presence in local and overseas market to increase our client base.

6. Increase our revenue by inviting more advertisements on shiklo.in

We are planning to promote our portal shiklo.in through television commercials and promotional activities. We expect that the traffic for our portal would increase after such promotion. Hence, we plan to charge more revenues from the advertising companies for our portal.

7. Encourage more students to become members of shiklo.in

As students become members for online home work & education assistance, they have to pay subscription fees. We hope to attract more members through our existing schools and colleges who are our clients for our products. As our portal attracts more students to become members, we plan to raise our membership subscription charges which will enhance our revenues.

Implementation and Training

We provide complete assistance to the client for implementation of GuruSeva on the level of Data Conversion, Data Entry, Hardware and Network Setup etc. Complete training is given to the users after implementation of the application at the customers' end. End users are given important commands for using the software effectively & efficiently. User manuals & on-line helps are made available to the users. Follow-up & bug fixing, if any, is done in this phase.

Global Delivery Model

We have developed a Global Delivery Model by which the knowledge and resources are delivered to our customers across the globe in a timely and efficient manner. This model has been able to maintain a balance of quality and cost saving. Since this model is highly customer-centric, it enables us to achieve the highest standards of quality in our delivery.

PRODUCTS

GURUSEVA (The Educational Management Product)

Educational software developed by experts especially for educational institutions, is an outcome of exhaustive research. This software is providing interface with smart cards, RFID, bar code and biometrics.

GuruSeva is a complete centralized solution, which provides a new generation IT architecture for the Management within an Educational Institution. Different versions of GuruSeva are available like Desktop Version and Online Version (on SaaS platform). Graphical User Interface of GuruSeva gives the user ease of use as ability to view reports in the form of graphs and charts. Using RDBMS, it provides better modularity to add new modules to existing systems, better performance and portability. GuruSeva helps institutions to reduce operational costs, improve efficiency and accuracy of operation.

PRODUCTS/SERVICES OFFERED BY JOINTECA

Products

GURUSEVA (School Management System)

GuruSeva is offered in two different versions with one being the Desktop Version and the other being Online Version (on SaaS Platform) and are as follows:

1. GuruSeva (Desktop Application)

GuruSeva (The Educational Management ERP Solution) is a modular solution that is developed on latest technologies and running successfully in India and overseas through our dealer network. This not only empowers the management on the level of information processing and decision making but also has a low ownership Cost and low operating cost.

GuruSeva (Educational Software) is designed and developed especially for different kinds of Educational institutions. This software provides interface with smart cards, RFID, bar code and biometrics. It includes 450 relevant reports and covers the following areas:

Configuration Management

Pre-Admission Management

Admission Management

Student Management

HR Management

Pay-roll Management
Time Table Management
Fee Management
Transport Management
Syllabus Management
House & Activity Management
Examination Management
Library Management
Time-Table Management
Financial Activities
Inventory Management
House Keeping Management
Infirmary
Front-Office
Home-work Management
Utilities
Users & Security
Session End Processing Management

GuruSeva 5.2 is an ERP Solution for specially designed and developed for different kinds of Educational Institutions after in-house and field research of several years. It is similarly useful for School, Colleges, Institutions and Training Centers. It is developed in a modular approach and fulfills every need of the user.

It Offloads the organization with hectic manual record keeping tasks and same information can be used on different levels. It is easy to generate summaries, Reminders and reports related to students, staff, fee, Examination Etc. It empowers not only the organization but also the parents and the students hence improves the channels between different entities of educational institutions.

Web Based & Desktop Solutions for



Areas Covered				
Pre-Admission Mgmt.	Attendance Mgmt.	Time-Table Mgmt.	Inventory Mgmt.	Front-Office Mgmt.
Admission Mgmt.	Examination Mgmt.	HR Mgmt.	Syllabus Mgmt.	Internet Messaging
Student Mgmt.	Library Mgmt.	Payroll Mgmt.	Infirmary Mgmt.	Session End Processing
Fee Mgmt.	Transport Mgmt.	Financial Activities Mgmt.	Home-Work Mgmt.	Hostel Mgmt.
Users & Security		Utilities	CCE Examination System	

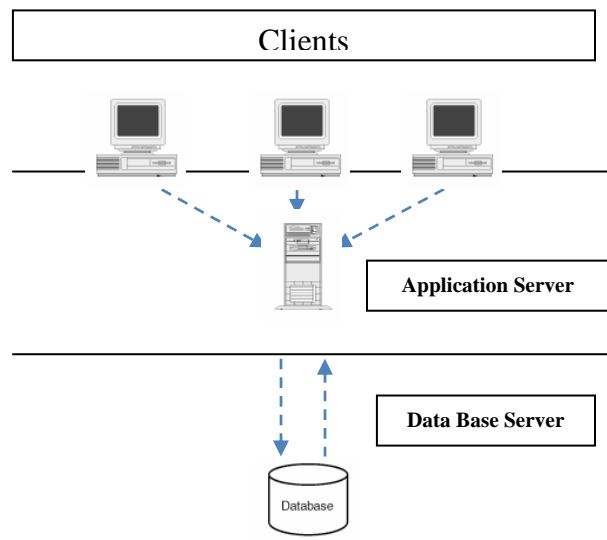
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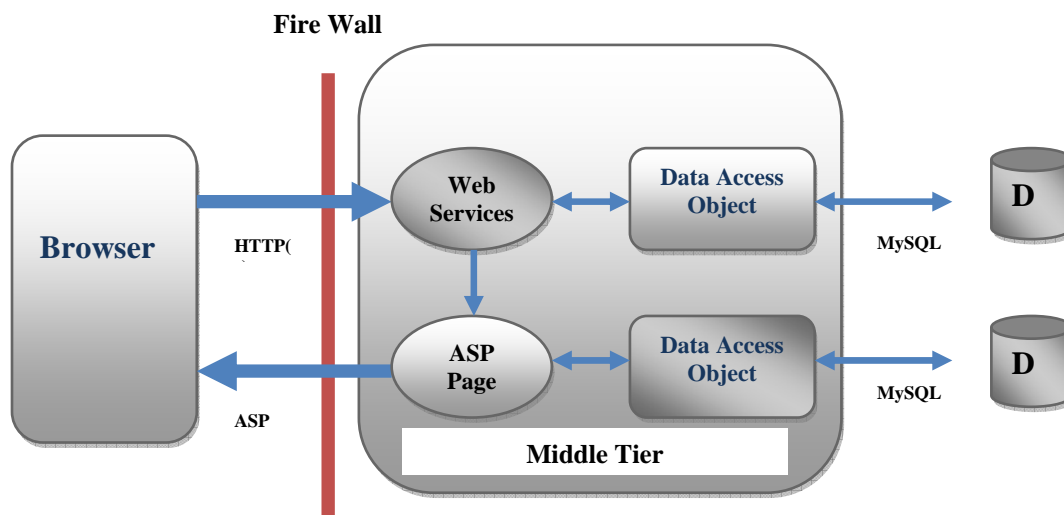


This is the Main Module Launching and Login Screen of GuruSeva 5.2. Users can login as per there password and Application operating rights assigned to them.

GuruSeva Architecture



Architecture for GuruSeva Desktop Version



ASP.Net Architecture

Interactive Voice Response System (IVRS)

Information that is frequently required by parents of the students like queries related to Fee, Exam, Attendance and Admission would be updated into database server. Every student will be given a Unique Identification Number (UID) to connect to the IVRS.

So after dialing and connecting to IVRS using the number, the parents can obtain information on all queries related to Fee, Exam, Attendance, Admission information etc. about their wards.

Product Implementation and Training (GuruSeva)

We provide complete assistance to the client for implementation and Training that includes;

- Data Management**
 The client may have the data of previously used School Management software, in Excel or word documents and we import this data into GuruSeva with the help of our implementation engineers into a format that GuruSeva understands.
- Data Entry**
 We also provide Data Entry facilities to the client; we deploy our own operators to run the software and to give it a successful start we also train users simultaneously on GuruSeva so that after the implementation we can transfer it to the end user.
- Complete training**
 Complete training is given to the users after implementation of the application at the customers end. End users are given important commands for using the software effectively & efficiently. User manuals & on-line helps are made available to the users. Follow-up & bug fixing, if any, is done in this phase.
- Hardware & Network Setup (Optional or in BOOT Model)**
 We also provide hardware services to the client as per the scope of implementation which includes computers, Printers, Networking. We also provide these services along with GuruSeva in BOOT Model. We provide everything to the client including Software, Hardware and Networking, Operators, Implementation Engineers. We charge the client generally on a

monthly basis for this model. After the successful running of the software as per the duration of the contract, we transfer everything to the customer.

2. GuruSeva (Software as a Service (SaaS) through Cloud Computing)

We are also delivering GuruSeva as a Service, wherein no huge setups are required by the client thus eliminating upfront hardware and software costs. Unlike traditional solutions that have heavy upfront costs and unpredictable expenses, GuruSeva (SaaS solution) is based on a flat fee per user, per month irrespective of the level of storage. GuruSeva (SaaS solution) is regularly updated and upgrades are automatic, seamless and provided without any additional charges. It also offloads the burden and complexity of keeping the servers, storage, software, databases, and backup systems and network up-and-running optimally throughout the year on a 24x7 basis and lets the user focus on more strategic initiatives for growing the business.

New User Sign up Page. The User can be the Administrator, Student, Employee or Parent

How GuruSeva is different from other Educational Management Products

The difference between GuruSeva and other products is its domain expertise, value, and technology. The Company believes that it offers the most comprehensive suite of services in the market and does so at most competitive rates.

Services

• B2B Educational Portal - (www.shiklo.in)

We provide online education and home work solution for students through our Online Educational Portal **www.shiklo.in**. This solution is addressing the students not only at primary and secondary level but also at the professional level. After registration with us, students can get assistance throughout the year on a 24x7 basis on different subjects through our panel of highly skilled teachers and professors. Apart from this, students can also get assistance and guidance in choosing the right educational institution and career.

The screenshot displays the Shiklo.in website interface. At the top, there's a header with the Shiklo.in logo and tagline "Empowering Career". Navigation tabs include Home, About Us, Career, Associated School, Astrology Zone, Personality Zone, Exam Zone, and Contact Us. The main content area is divided into several sections:

- Member Zone:** Includes links for Subject Assistance, Solved Papers, Language Assistance, Competitive Exams, Astrological Assistance, and Queries.
- Online Test:** Promotes testing comprehension and readiness with a "REGISTER NOW" button.
- Featured Institutes:** Lists institutions like Mangalayatan University, Flamingo, and Gyan Shali.
- Search School/Colleges:** A search bar with a "Search" button.
- Search Universities:** A search bar with a "Search" button.
- Educational Query:** A form to fill details for suggestions for relevant institutes.
- Entrance Exam Dates:** Lists dates for Engineering, Management, Medical, Science, SSC, UGC, and UPSC exams.
- Shiklo Café:** A section for career-related queries and discussions.

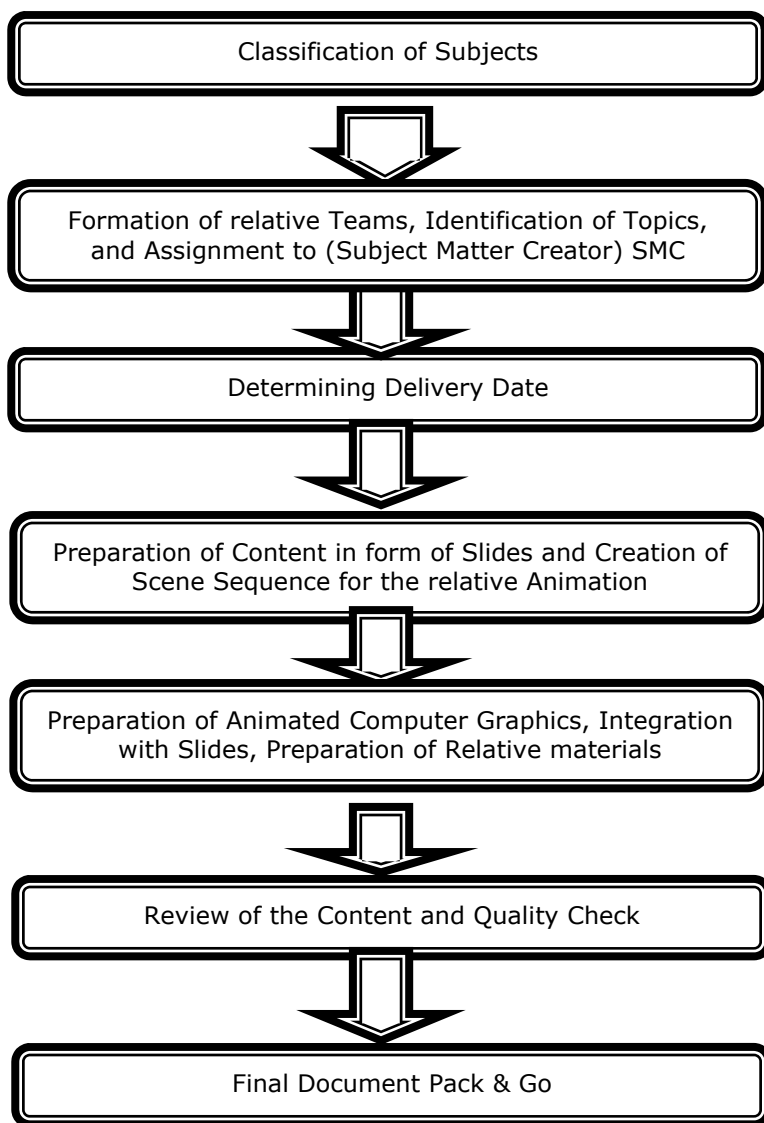
The footer contains a grid of links: Top Institutes, Career Options, Entrance Exam Preparation, Jobs, and Enterprises. It also includes a copyright notice for 2012 and the website designer's name, Jointeca Education Solutions Ltd.

Main Page of Shiklo.in (B2B Educational Portal)

- **Content Management Solutions**

The content development team consists of experienced educationists from school, college and industry environment who understand the usage of technology that increases the effectiveness of learning. The Content team has been divided into subject-wise departments headed by the concerned Head of the Department/HOD. The Content team consists of HOD, Subject Heads, Assistants, Quality Check Executives and Content Animator. These contents will be delivered through our well-established dealer network for our product GuruSeva in India as well as overseas market.

Process Flow



- **Customized Software Solutions**

We have a Customized Software services division, which provides right-sized business software solutions for the enterprise to meet their requirements. We provide ERP solutions for Manufacturing Industries, Hospitality Industries, Management Solutions, HR and Payroll solutions, as well as Database maintenance services, Reverse Engineering Solutions for Database Applications on a Low Risk Delivery Model consisting of both onsite and off-site models.

1. Software Solutions for Manufacturing Industries

We provide customized solutions to the manufacturing and export oriented enterprises by understanding their business requirements and business objectives. In this solution, we take care of production planning, stock inventory, sales management, order and dispatch management, accounts management etc.

2. Software Solutions for NBFCs (Non-Banking Financial Companies)

We provide ERP Solutions for different NBFCs that include Investor Management, Sales and Marketing Management, Budgetary Planning and Budgeting, Loan Management, Fund and Payout Management etc.

3. Software Solutions for Publication Industries

PUBLISHER-J has been designed and developed to simplify the complex working of educational book publishing enterprises. In this application, the requirements are grouped in a more orderly way for effective management of overall enterprise tasks. In this solution, we take care of production planning, stock inventory, sales management, order and dispatch management, accounts management etc.

4. Client Relation and Order Supply Management

In this application, the focus is on the customers who are provided with some service-based products, projects or products and services customized to meet their requirements. This is mainly to obtain analytical information after processing the data captivated, so that the enterprises can maintain prolonged client relations. We have attended following activities with very user-friendly interfaces in this application.

5. Post Office and Insurance Management System

This is an effective tool for the management of Post Office RDs, MIS, NSC, KVP, SAS etc. It also manages the Insurance Policy Details, Investor Details, Maturities and Surrender Value etc.

6. IT Parts & Peripherals Sales and Support System

This software solution is designed and developed to manage the multifaceted working of IT Parts & Peripherals Sales and Support System. This software solution address all the procedures related to the business.

7. Restaurant and Hotel Management System

The solution provided under Restaurant and Hotel Management System covers different aspects of Hotel Industry like Restaurant, Bar, Front Office, Rooms Management, House Keeping, Laundry Services, Accounts and Inventory etc.

A section of assignments handled by us

Educational Institutions Management Solution

i) **Client: DAV** (A School of DAV Society), New Delhi

Project: GuruSeva

Technology Software: SQL Server 2000, VB 6.0, Crystal Reports, VBA

Industry Segment: Educational Management

Project Brief

The client has been using the Desktop version of our product GuruSeva to manage all school and administrative activities. We also provide support to the client for implementation / Training / and Data backup services on different branches.

ii) **Client:** Delhi Public School, Jabalpur.

Project: GuruSeva online

Technology Software: MySQL, ASP.Net with C#, HTML Reports, Web Services

Industry Segment: Educational Management

Project Brief

The client has been using the online version of our product GuruSeva to manage all school and administrative activities. We also provide support to the client for implementation / Training / and Data backup services on different branches.

iii) **Client:** Akanksha Public School, Guna

Project: GuruSeva online

Technology Software: MySQL, ASP.Net with C#, HTML Reports, Web Services

Industry Segment: Educational Management

Project Brief

The client has been using the online version of our product GuruSeva to manage all school and administrative activities. We also provide support to the client for implementation / Training / and Data backup services on different branches.

iv) **Client:** Emmanuel Higher Secondary School, Sehore

Project: GuruSeva online

Technology Software: MySQL, ASP.Net with C#, HTML Reports, Web Services

Industry Segment: Educational Management

Project Brief

The client has been using the online version of our product GuruSeva to manage all school and administrative activities. We also provide support to the client for implementation / Training / and Data backup services on different branches.

v) **Client:** Horizon Discovery Academy, Nanded

Project: GuruSeva online

Technology Software: MySQL, ASP.Net with C#, HTML Reports, Web Services

Industry Segment: Educational Management

Project Brief

The client has been using the online version of our product GuruSeva to manage all school and administrative activities. We also provide support to the client for implementation / Training / and Data backup services on different branches.

Other services related to the Main Business

- **B2B Educational Portal - (www.shiklo.in)**

We provide online education and Home Work solution for students through our registered Online Educational Portal www.shiklo.in. This solution aims at addressing the students not only at primary and secondary level but also at the professional level. After registration, students can get assistance on a 24x7 basis throughout the year on different subjects through our panel of highly skilled teachers and professors. Apart from this, students can also get assistance and guidance in choosing the right Educational Institution and career.

- **Product Training**

We provide onsite training to the client after installation of our product(s) or customized solution during and after the period of warranty on fee basis. Hence Product training indirectly increases the revenue of our main businesses namely Product Development and Customized Software Development.

- **Product Implementation**

We provide onsite technical assistance to our clients for hardware and networking services. We also deploy professionals from our team as and when required by the client for implementation and Data Entry purpose. It not only helps client to run the Product or Solution successfully but also increases our Customer Satisfaction Index and subsequently the revenue of the main business.

- **Hardware and Networking Services**

We deal in turnkey projects for Hardware and Peripheral supply for Information Technology Projects in Government and Private Sectors. We also deal with Schools, Colleges and Universities on BOOT Model for Computer Hardware and Networking. We also take Annual Maintenance Contracts for Hardware and Networking.

- **Re-engineering and Migration Services**

We are into Application Migration Services that includes Technology Migration on the level of Database, Front-End or logic. We also offer re-engineering tasks for the older software, which are not developed and delivered by us. We charge the clients for providing re-engineering and migration services.

Annual Maintenance Contracts

We take up software maintenance on an annual basis for the products and customized solutions that we deliver to the customers. We charge the client on an annual basis for providing such AMC services.

SWOT Analysis

Strengths

1. Vast experience in Software Development and Distribution
2. Established wide dealer and distributor network in India & Overseas
3. Large user base for our Product GuruSeva.
4. Expertise in Product Development and its management, Off-shore Software Development in Global Delivery Model.
5. Expertise in Product / Software implementation and maintenance.
6. Competitive and Low Pricing Policy.
7. Well qualified and experienced technical and management team.
8. Experience of Customized software development in different verticals of the Industry.

Weaknesses

1. The industry is subject to high attrition rate.
2. Highly dependent on technology related resources.
3. Business concentration in Northern India only.

Opportunities

1. Big market and high growth rate industry is available for Information Technology Projects both in Government and Private Sector of education
2. It would be easy for us to create new customers in India and Overseas market due to the present dealer and client network
3. We will offer content delivery solutions to our existing users who are using GuruSeva
4. We would offer GuruSeva on SaaS and Cloud Computing model through our own and new dealer network
5. Our presence in every domain of IT allows us to do business with same customers for different IT related jobs
6. Wide scope for selling software and services for schools, as more and more schools are shifting towards tech-based system of education

Threats

There are companies and local players already operating in School Automation, Content Management, tech enabled solutions.

1. IT resources required in ICT solutions are prone to fast technology obsolescence
2. Corporate clients may reduce intake drastically due to sudden recession resulting in an economic meltdown.

Our Approach

We provide the domain expertise, execution skills and innovation strategies that are required to surpass organizational growth, speed and cost goals.

FAST (Facilitated Application Specification Technique) Meetings

We meet, listen and talk to the client so that we understand the objectives and rules of the business. We believe that the customer is a stake holder and end user of the application and our role is to provide tailor-made solutions that fit his needs.

GAP Analysis

Once the customers' views and requirements are discussed and collected, we analyze the GAP between 'what is required' and 'what is available with us'.

Iteration Based Prototyping and Planning

We build a prototype of the application based on the GAP Analysis Report and continually improve it during the meetings with the customer in an iterative model. After approval of the prototype, we plan and schedule the project that includes the Design and Development Plan, Human Resource Planning, Test Plans and Delivery Schedules.

Delivery

We try and ensure that the delivery is done on time since the inception of the solution. We also try to ensure that delivery is done on time as well as within the budget allocated to us.

Configuration Management

On completion of delivery and implementation, our client is also assured of one of the best after sales service and quality customer support for customer retention as well as to generate new business from the existing client.

Geographical Approach

Our focus is on the following regions:

1. Initially, we are marketing our product in Dubai, Qatar, Bahrain, Abu Dhabi and other Middle East regions on the basis of a strategic Alliance with Trans National Computer LLC, a Limited Liability Corporation situated in Dubai, U.A.E.
2. Trans National Computer LLC is an authorized channel partner for Gulf and African countries to sell and support the Quick Book (Accounting Solution), Peachtree (Accounting Solution), ACT (CRM Solution), ACCUPOS (Point of Sale Solution) etc. They have been active in this region over the last decade for our product GuruSeva. We are also targeting other gulf countries for selling our products and services.

Quality Initiatives

Our Company's quality processes have been certified as ISO 9001:2008 compliant. We follow a Quality Management System comprising of documented artifacts such as Quality Policy, Quality Objectives, Quality Manuals and procedures. These artifacts facilitate effective planning, operation and control of quality processes and records, which, in turn observed into quality of work products.

Knowledge Management

The knowledge management initiative of our Company has the goal of uniting the data and information processing capacity and the creative and innovative capacity of its people. The knowledge management system at our Company has at its core, a document repository built on an in-house developed product called iPOINT, which is deployed on the Company's intranet.

This is supported by Organizational Culture and Rewarding Policies that encourage people to contribute and make use of the system. Knowledge assets are usually overviews of new technologies, specific technical problems, reusable code, domain knowledge, unanticipated problems and strategies for managing them, etc. It is also mandatory at the start of the project to make a list of required information and their sources. Knowledge sharing sessions are held at regular intervals for dissemination of learning.

Risk Management

Client engagements come with generic as well as engagement-specific risks. Generic risks, which are usually organization-wide, are evaluated and addressed in periodic reviews and strategies for improvement are prepared. Regular project management processes are modified to implement these improvement strategies. Engagement-specific risks are identified at the start of the engagement in a risk control exercise organized by the Quality Advisor for the engagement. The exercise involves key people in deliver as well as client representatives. The Quality Advisor prepares a detailed improvement plan.

Business Continuity Planning

Business disruptions whether the result of natural calamity, riots, wars, technology failures or criminal acts can threaten the very survival of a Company. Such disruptions cannot always be predicted or prevented, but good planning can noticeably minimize the damage they cause. Business continuity plans, which describe the process of disaster recovery, are used in concert with the Company's financial planning and corporate governance systems. Our Company's business continuity planning is implemented at two levels depending on the severity of the disruption.

Level 1: Localized disruption, partially affecting a functioning of a facility or the organization. Examples: Workplace accident, security breach, minor power or telecom breakdown, strikes, etc.

Level 2: Disruption that is partially affecting a complete facility or impacting the entire organization. Examples: Severe weather conditions, significant property damage due to earthquake or fire, major power or telecom outage.

As soon as a disruptive event is reported, the designated members of the Crisis Management team execute the business continuity plan for the corresponding level. Business continuity plans provide clear, concise directions for action at every level along with prioritization of vulnerabilities.

Data Security

Routine daily backups of data are taken and stored at in-site and off-site locations. We also use techniques like Electronic Vaulting, Shadowing and Remote Mirroring to eliminate the possibility of loss of critical data.

Information Security

Our Company recognizes the need to have a competent information security mechanism in place. We periodically review and address information security issues as part of our risk management exercise. Some of the techniques used in meeting our Company's information security needs are:

- Physical security of work locations and access control
- Electronic restrictions on access to data except on a need-to-know basis
- Formulation of appropriate business policies with respect to sensitive customer data and inculcation of these policies into employees
- Electronic isolation of key data and password policies
- Electronic surveillance of Network Traffic
- Periodic vulnerability testing of network

Sales and Marketing

We have our dedicated Sales Team and Dealer and Distribution network for selling our product GuruSeva (Desktop Version, SaaS for Schools, Colleges and Universities). The sales channel partners are locally linked people generally associated with school related business. They have developed good contacts and relations with the management of different schools and our sales team helps the customer in providing pre-sales technical and product support.

Manpower

We have a total strength of 47 employees working in our Company as of March 31, 2012 and they are as follows:

Particulars	Number of Employees
Permanent employees	40
Employees on probation	4
Trainees	2
Contractual Employees	1
Total	47

Particulars	Number of Employees
Senior Management	3
Middle Management	21
Executives	16
Others	7
Total	47

Utilities & Infrastructure Facilities

Our Registered Office is located at Mathura in Uttar Pradesh. Our office is equipped with latest computer systems, servers, Uninterrupted Power Supply, Internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Intellectual Property Rights

Trade Mark

There are three (3) trademarks, which have been applied for by the Company for registration with the Registrar of Trade Marks. Details of the said Trademarks are as provided hereunder:

Sr. No.	Trade Mark Name	Acknowledgement No. & Date	Class	Trade Mark Description
1	Jointeca (with Logo)	02181421 dated 27.07.2011	42	Scientific & Technological Services
2	GuruSeva	02181419 dated 27.07.2011	42	Scientific & Technological Services
3	Shiklo.in	02181420 dated 27.07.2011	42	Scientific & Technological Services

Other IPRs

The Company does not have any Intellectual Property Rights in the nature of trademarks, copyrights, designs or patents.

No patents or utility models have been applied for or granted to or used by the Company. There are no employee inventions or any compulsory licenses, which may be or have been granted in respect thereof. There are no material inventions used by the Company in respect of which patents have not yet been applied for or granted. There are no registered designs applied for or used by the Company.

There are no actual or threatened litigation or opposition proceedings relating to any intellectual property rights used by the Company.

Competition

As such our Company does not face any major competition because of its niche area of business. We have a competitive advantage of lower administrative overhead achieved through adoption of a unique style of decentralized operational structure and localized training and employment of manpower.

Property

Properties Owned by the Company

The Company does not own any freehold property in its name.

Properties on Lease

The Registered Office of the Company located at 1014, Bagh Bahadur Chowki Colony, Near SBI Crossing, Mathura – 281 001, Uttar Pradesh is taken on lease by our Company ("*Lessee*") from Mr. Om Prakash Sharma ("*Lessor*") pursuant to a Lease- Rental Agreement dated June 16, 2012 for a period of 3 (Three) Years at a monthly rental of ₹. 18,000/-.

Export Obligations

As of March 31, 2012, our Company does not have any Export Obligations.

Insurance

The Company has insurance policies that cover its assets and operations, including third party liabilities. The assets covered by these policies are insured against losses from general liability such as standard fire & special peril, machinery break down insurance, earthquakes and other risks to its premises and equipments. Details of the said policy are as provided hereunder:

Sr. No.	Name of the Insurance Company	Type of Insurance	Description of Property	Total sum insured (₹ In lacs)	Cover Note/ Policy Number	Policy Start Date	Date of expiry
1	The Oriental Insurance Company Ltd.	Standard Fire & Special Perils Policy	Furniture, Fixture & Fittings	2,50,000	272703/11/2012/477	March 12, 2012	March 11, 2013
			Plant & Machinery	15,00,000			
2	The Oriental Insurance Company Ltd.	Burglary Insurance	Furniture/ Fixture/ Fittings/Appliances etc.	2,50,000	272703/48/2012/1454	March 12, 2012	March 11, 2013
			Computers, Printers, Laptops, UPS, A.C. etc.	15,00,000			

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Central / State Governments that are applicable to our Company in 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 are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India that are applicable to the Company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is bound by several legislations applicable to it. Some of the key regulations applicable to our Company are summarized hereunder:

Information Technology

a. Information Technology Act, 2000

The Information Technology Act, 2000 ("the IT Act") was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The IT Act regulates Information Technology i.e. it governs information storage, processing and communication. The Act provides legal recognition of electronic records and electronic signatures, their use, retention, attribution and security. Penalties are provided for cyber crimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases.

b. Information Technology Amendment Act, 2008

The Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and inter alia gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

c. The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011

Recently, the Department of Information Technology under the Ministry of Communications & Information Technology, GoI notified the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 in respect of section 43A of the IT Act (the "Personal Data Protection Rules") and the Information Technology (Intermediaries guidelines) Rules, 2011 in respect of section 79(2) of the IT Act (the "Intermediaries Rules").

d. Information Technology (Personal Data Protection) Rules

The Personal Data Protection Rules prescribe directions for the collection, handling, disclosure and protection of sensitive personal data.

e. Information Technology (Intermediaries Guidelines) Rules 2011

Government has notified Information Technology (Intermediaries guidelines) Rules, 2011 under Section 79 of the Information Technology Act, 2000. These rules provide for the intermediaries which includes social networking sites to observe due diligence and safeguards for prevention of

hosting of obscene, blasphemous, pornographic, paedophilic, defamatory etc. material on their website. Further, sections 67, 67A and 67B of the Information Technology Act, 2000 provides stringent punishment and fine for publishing or transmitting obscene material in electronic form as well as for publishing or transmitting material containing sexually explicit act, or depicting children engaged in sexually explicit act. 93

f. Information Technology (Intermediate) Rules

The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not host, publish, transmit or share any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, the Department of Personnel and Training under the Ministry of Personnel, Public Grievances and Pensions, GoI has proposed to introduce a new legal framework that would balance national interest with concerns of privacy, data protection and security.

INTELLECTUAL PROPERTY LAWS

DOMESTIC

a. Patent Act, 1970

The Patents Act, 1970 („**Patents Act**") is the primary legislation governing patent protection in India. In addition to broadly requiring that an invention satisfy the requirements of novelty, utility and non obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of application for the patent. The Patents Act deems that computer programs per se are not „inventions" and are therefore, not entitled to patent protection. This position was diluted by The Patents Amendment Ordinance, 2004, which included as patentable subject matter:

1. Technical applications of computer programs to industry; and
2. Combinations of computer programs with the hardware.

However, the Patents Amendment Act, 2005, does not include this specific amendment and consequently, the Patents Act, as it currently stands, disentitles computer programs per se from patent protection. The public use or publication of an invention prior to the making of an application for a patent, may disentitle the said invention to patent protection on grounds of lack of novelty. Under the Patents Act, an invention will be regarded as having ceased to be novel (and hence not patentable), inter alia, by the existence of:

1. Any earlier patent on such invention in any country;
2. Prior publication of information relating to such invention;
3. An earlier product showing the same invention; or
4. A prior disclosure or use of the invention that is sought to be patented.

Following its amendment by the Patents Amendment Act, 2005, the Patents Act permits opposition to grant of a patent to be made, both pre-grant and post-grant. The grounds for such patent opposition proceedings, inter alia, include lack of novelty, inventiveness and industrial applicability, non-disclosure or incorrect mention of source and geographical origin of biological material used in the invention and anticipation of invention by knowledge (oral or otherwise) available within any local or indigenous community in India or elsewhere. The Patents Act also prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. Following a patent application in India, a resident must wait for six weeks prior to making a foreign application or may obtain the written permission of the Controller of Patents to make foreign applications prior to this six week period. The Controller of Patents is required to obtain the prior consent of the Central Government before granting any such

permission in respect of inventions relevant for defence purpose or atomic energy. This prohibition on foreign applications does not apply, however, to an invention for which a patent application has first been filed in a country outside India by a person resident outside India. 94

b. Copyright Act, 1957

The Copyright Act, 1957 ("Copyright Act") protects original literary, dramatic, musical and artistic works, Cinematographic films and sound recordings from unauthorized use of such works. Unlike the case with patents, copyright protects the expressions and not the ideas. There is no copyright in an idea. The object of copyright law is to encourage authors, artists and composers to create original works by rewarding them with exclusive right for a fixed period to reproduce the works for commercial exploitation. Copyrights subsist in following class of works:

- a) Original literary, musical, dramatic and artistic works
- b) Cinematograph films
- c) Sound recordings

Under the copyright law the creator of the original expression in a work is its author who is vested with a set of exclusive rights with respect to the use and exploitation of the work. The author is also the owner of the copyright, unless there is a written agreement by which the author assigns the copyright to another person or entity, such as a publisher. Where work is done under a „work for hire" agreement, the copyright vests with the hirer i.e., the person providing the work. The owner of copyright in a work can assign or license his copyright to any person, such as publisher, under a written agreement. Copyright subsists in a work since the time it come into being. Therefore, registration of copyright neither creates any rights nor precludes enforcement of the existing ones. However, owing to its evidentiary value, a registered copyright is easier to establish in the court of law. The term of copyright varies across different types of works. In the case of broadcasts, the Act grants "broadcast reproduction rights" to broadcasting organizations which subsist for 25 years.

c. Trade Marks Act, 1999

The Indian law of trademarks is enshrined in the Trade Marks Act; The Trade Marks Act seeks to provide for the registration of trademarks relating to goods and services in India. A trade mark means a mark used in relation to goods for the purpose of indicating a connection in the course of trade between the goods and the proprietor. While registration of a trademark is not compulsory it offers better legal protection. Any person can apply for registration of a trademark to the Trademark Registry under whose jurisdiction the principal place of the business of the applicant in India falls. The term of a trademark registration is for a period of ten years. The renewal is possible for further period of 10 years each. There is no system as yet wherein a single trademark application is sufficient to protect the trademark right internationally. However, Paris convention to which India is a party provides certain privileges to member countries in trademark registration. A party that files their first trademark application in a member state of the Convention, such as India, can within six months of that filing date file applications in other member countries claiming the priority of the first application. If such a trademark is accepted for registration it will be deemed to have registered from the same date on which the application is made in the home country.

INTERNATIONAL

a. Patent Co-operation Treaty 1970

The Treaty makes it possible to seek patent protection for an invention simultaneously in each of a large number of countries by filing an "international" patent application. Such an application may be filed by anyone who is a national or resident of a Contracting State. It may generally be filed with the national patent office of the Contracting State of which the applicant is a national or resident or, at the applicant's option, with the International Bureau of WIPO in Geneva.

b. Paris convention for the Protection of Industrial Property, 1883

The Paris Convention for the Protection of Industrial Property, signed in Paris, France, on March 20, 1883, was one of the first intellectual property treaties. It established a Union for the protection of industrial property. The Convention is still in force as of 2012. According to Articles 2 and 3 of this treaty, juristic and natural 95 persons who are either national of or domiciled in a state party to the

Convention shall, as regards the protection of industrial property, enjoy in all the other countries of the Union, the advantages that their respective laws grant to nationals.

c. International Convention for the Protection of literary and Artistic Works adopted at Berne in 1886

The Berne Convention for the Protection of Literary and Artistic Works, usually known as the Berne Convention, is an international agreement governing copyright, which was first accepted in Bern, Switzerland in 1886. The Berne Convention requires its signatories to recognize the copyright of works of authors from other signatory countries (known as members of the Berne Union) in the same way as it recognizes the copyright of its own nationals.

d. Universal copyright convention adopted at Geneva in 1952

The UCC was developed by United Nations Educational, Scientific and Cultural Organization as an alternative to the Berne Convention for those states which disagreed with aspects of the Berne Convention, but still wished to participate in some form of multilateral copyright protection. These states included developing countries and the Soviet Union, which thought that the strong copyright protections granted by the Berne Convention overly benefited Western developed copyright-exporting nations, and the United States and most of Latin America. The United States and Latin America were already members of a Pan-American copyright convention, which was weaker than the Berne Convention. The Berne Convention states also became party to the UCC, so that their copyrights would exist in non-Berne convention states.

e. Rome convention for the protection of Performance. Producers of Phonograms and Broadcasting organization, 1961

The Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations was accepted by members of BIRPI, the predecessor to the modern World Intellectual Property Organization, on October 26, 1961. The agreement extended copyright protection for the first time from the author of a work to the creators and owners of particular, physical manifestations of intellectual property, such as audiocassettes or DVDs.

Employment / Labour Laws

a. The Employees Provident Funds and Miscellaneous Provisions Act, 1952

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

b. The Industrial Disputes Act, 1947

The objective of the Industrial Disputes Act is to secure industrial peace and harmony by providing machinery and procedure for the investigation and settlement of industrial disputes by negotiations.

c. The Minimum Wages Act, 1948

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

d. The Payment of Bonus Act, 1965

Pursuant to the Bonus Act an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year, is eligible to be paid a bonus.

e. The Payment of Gratuity Act, 1972

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease.

LABOUR & INDUSTRIAL LAWS

1. Payment of Wages Act, 1936 and Minimum Wages Act, 1948

As represented to us, the Company has been paying wages to its employees/ workers, which are not less than the minimum wages.

2. Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Company is subject to the provisions of The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (hereinafter referred to as "the EPF Act"), which provides for Family Pension Scheme and Employees Deposit Linked Insurance Fund. The EPF Act provides for insurance against death of a worker. The benefits are payable on termination of service either due to (a) retirement; (b) discharge or (c) retrenchment or resignation. The employees and the employer covered under the EPF Act have to contribute equally. We have been provided with copies of the latest challan indicating payment of contribution towards provident fund and employees' pension scheme to the Regional Provident Fund Commissioner of the Government of India.

The Company has confirmed that all the subscribers under the EPF are members of the Family Pension Scheme.

3. Employees State Insurance Act, 1948

We have been informed that the provisions of the Employees State Insurance Act, 1948 (ESI Act) are applicable to the Company. Under the Act, all employees of the Company having gross salary/wages of ₹ 7,500/- or less are eligible under ESI Scheme.

We have also been informed that the Company is regularly depositing its dues as required under the provisions of the ESI Act.

Miscellaneous Laws

a. The shops and Establishment Laws as applicable

Under the provisions of local Shops and Establishments laws applicable in Uttar Pradesh, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our Company's offices have to be registered under the Shops and Establishments laws of the state where they are located.

b. The Companies Act, 1956

The Companies Act 1956 is an Act of the Parliament of India, enacted in 1956, which enabled companies to be formed by registration, and set out the responsibilities of companies, their directors and secretaries.

c. Foreign Exchange Management Act

Foreign investment in India is governed primarily by the provisions of FEMA which relates to regulation primarily by RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, GoI, ("FDI Policy") and the FDI Policy issued by the DIPP (Circular 2 of 2010, with effect from October 1, 2010). The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as

amended ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. As specified by the FEMA Regulations, no prior consent and approval is required from the FIPB or the RBI, for FDI under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI.

d. Competition Act, 2002

The Competition Act, 2002 was enacted by the Parliament of India and governs Indian competition law. It replaced the archaic Monopoly and Restrictive Trade Practices Act. Under this act, the Competition Commission of India was established to prevent activities that have an adverse effect on competition in India

HISTORY AND CORPORATE STRUCTURE

Brief History of our Company

Our Company was originally incorporated as *"Jointeca Software Solutions Private Limited"* under the Companies Act, 1956 vide Certificate of Incorporation dated May 24, 2011 issued by Registrar of Companies, Kanpur, Uttar Pradesh, India. Further the name of our Company was changed to Jointeca Education Solutions Private Limited vide special resolution passed at the Extra Ordinary General Meeting held on August 01, 2011. Our Company was subsequently converted into a Public Limited Company and the fresh certificate of Incorporation from RoC was obtained on December 13, 2011 from the Registrar of Companies, Kanpur and the name was changed to Jointeca Education Solutions Limited. Pursuant to conversion from private limited to public limited the object clause of the Company was changed on December 14, 2012.

One of our Promoters, Mr. Vishal Mishra had been running the business as a Sole-Proprietorship concern in the name of Jointeca Technologie. The Sole-Proprietorship concern was engaged in the business of development of and providing services in the field of education software and other IT enabled solutions. The Sole-Proprietorship concern was acquired by our Company pursuant to a Slump Sale agreement dated November 10, 2011 (*"Slump Sale Agreement"*). For more details on the Slump Sale Agreement, please see the section titled *"History and Corporate Structure"* on Page no. 112 of this Draft Prospectus.

Changes in the Registered Office of our Company

Our Registered Office is situated at 1014, Bagh Bahadur Chowki Colony, Near SBI Crossing, Mathura - 281 001, Uttar Pradesh. There has been no change in the Registered Office of the Company since Incorporation.

Main Objects of our Company

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

1. To carry on and engage in the business at its own or in association with any Indian or Foreign agency, individuals, firms, Company or Govt. undertaking either in India or abroad and to act as franchise agent for electronic information technology development, up gradation, manufacturing, processing and up gradation of hardware, software, web-site, web-page, internet, e-mail, online electronic communication systems, data processing, developing, producing, generating, manufacturing, dealing in all types of the computer hardwares, softwares, computer stationery and to run and operate the computer hardware and software training institute for the training of the Computer operations, development, up gradation of softwares, Training in India and abroad. To carry on the business of providing Internet and E-commerce, including to design, Develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, license or otherwise deal in Internet portals, Internet networks, Media Portals, Internet Solutions, Internet gateways, Internet service providers, E-commerce education and E-business solutions. To identify and acquire/invest in Companies and enterprises including forming joint venture and act as a Holding Company in businesses holding prospectus of growth including investing in Companies dealing in Telecom Ventures, ISP Business, WEB portal business, IT server farms and hosting business, digital service provider business, multimedia software development business and any other business activity in the areas of telecommunications and information technology.

2. To develop, buy, sell, trade, import, export, manufacture, put-up, install, let on hire, distribute, provide solutions, services, and consultancy in the field of or otherwise deal in information technology and IT enabled services, cyber technology, electronic commerce, electronic mail, internet, intranet, ISP, computers, computer hardware, computer software, TV software, system designing, web designing, web hosting, portals, web sites, search engines, devised driver development, domain name registration, data processing, remote data processing, data transfer, call centres, their peripherals and allied products, components and consumables, relating to all types and medium of education & training, in India and Abroad; to establish and develop education content development and infrastructural projects; to develop education portal and other software and hardware medium for providing services, products and solutions in education and other related sectors, on B2B (business to Business) or B2C (Business to Customer) basis of otherwise, in India or abroad.

Our Objects Clause permits us to undertake the present activities and the activities proposed to be carried on by our Company pursuant to the Public Issue.

Amendments to Our Memorandum of Association

Since Incorporation, the following changes have been made to the Memorandum of Association of our Company

Date of Amendment	Amendment
June 20, 2011	Change in Clause V of the Memorandum of Association on increase of the Authorized Capital of the Company from ₹ 10 Lacs to ₹ 400 Lacs.
August 12, 2011	The name of the Company has been changed from Jointeca Software Solutions Private Limited to Jointeca Education Solutions Private Limited
November 01, 2011	Change in Clause V of the Memorandum of Association on increase of the Authorized Capital of the Company from ₹ 400 Lacs to ₹ 1,100 Lacs.
December 13, 2011	The Company has been converted into Public Limited Company and name has been changed to <i>"Jointeca Education Solutions Limited"</i> vide fresh Certificate of Incorporation dated December 13, 2011 issued by the Registrar of Companies, Kanpur, Uttar Pradesh and Uttarakhand
December 19, 2011	Change in Clause III of the Memorandum of Association on the alteration of the Main Objects and Other Objects

Major Events of the Company

Year	Event
2011	The Company was incorporated in the name of <i>"Jointeca Software Solutions Private Limited"</i> vide Certificate of Incorporation with CIN No. U72300 UP2011 PTC 044942 dated May 24, 2011 with the Registrar of Companies, Kanpur, Uttar Pradesh and Uttarakhand
	The name of the Company has been changed from Jointeca Software Solutions Private Limited to <i>"Jointeca Education Solutions Private Limited"</i> on August 12, 2011
	The Company has been converted into Public Limited Company and name has been changed to <i>"Jointeca Education Solutions Limited"</i> vide fresh Certificate of Incorporation dated December 13, 2011 issued by the Registrar of Companies, Uttar Pradesh and Uttarakhand
	The Company has acquired the Sole proprietorship concern – M/s. Jointeca Technologie pursuant to a <i>"Slump Sale Agreement"</i> dated November 10, 2011

Certification/Registration

Year	Certification/Registration
2011	ISO 9001:2008 certified Company

Subsidiaries of our Company

Our Company does not have any subsidiary as on the date of filing the Draft Prospectus.

Raising of Capital through Equity and Debt

For details in relation to our capital raising activities through equity and debt, see the chapters titled "*Financial Information*" on Page Nos. 135 and "*Capital Structure*" on Page Nos. 38 respectively of this Draft Prospectus.

Time or cost overrun in setting up projects

There have been no time and cost overruns with respect to any projects undertaken by our Company.

Defaults or Rescheduling of Borrowings with Financial Institutions or Banks

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of the Draft Prospectus.

Lock-out or strikes

There have been no lock-outs or strikes in our Company since the date of its Incorporation.

Changes in the activities of the Company during the last five (5) years

There have been no changes in the activities of the Company during the last five (5) years as on the date of filing the Draft Prospectus.

Corporate Profile

Our Company was incorporated on May 24, 2011 and is currently engaged inter alia in the business of providing educational ERP solutions to cater to enterprises with large and medium business volumes. One of our promoters, Mr. Vishal Mishra has 14 years of experience in the business of providing Educational IT Solutions. Our Company acquired the business of Jointeca Technologie, a Sole-Proprietorship concern pursuant to a "*Slump Sale Agreement*" dated November 10, 2011.

For further details of our Company's activities, products and growth please refer to the sections titled "*Business Overview*", "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" and "*Basis of Issue Price*" on Page nos. 82, 148 and 61 of this Draft Prospectus.

Our Competitors

For details on Competition, please refer to the section titled "*Business Overview*" on Page no. 82 of this Draft Prospectus.

Injunction or Restraining Order

As on the date of filing the Draft Prospectus, no injunction or restraining order has been issued against our Company.

Technology and Managerial Competence

For details on our Technology and Managerial Competence, please refer to the section titled "*Business Overview*" on Page no. 82 of this Draft Prospectus.

Acquisition of Business Slump Sale

A business combination resulted in M/s. Jointeca Technologie (*the "Seller"*) being taken over by our Company. Pursuant to the business combination, 39 lacs Equity Shares of face value of ₹ 10.00 each were issued to Mr. Vishal Mishra, one of the Promoters of our Company.

- With effect from November 10, 2011, the entire business, assets, liabilities, obligations, licenses etc. of the Seller along with goodwill as a going concern were transferred and vested in our Company;
- Our Company had been authorized to carry on the business which was earlier carried out by the Transferor;
- All contracts, agreements, deeds, arrangements, suits and other legal proceedings were transferred in favour of our Company.
- All employees of the Seller became employees of our Company.

Following are the details of the financial information of Jointeca Technologie, (The Sole-proprietorship Concern)

M/s. Jointeca Technologie

Year of Establishment	1997
Address	1014, Bagh Bahadur Chowki Colony, Mathura – 281 001, Uttar Pradesh, India
Name of Proprietor	Vishal Mishra
Nature of Business	The Sole-proprietorship concern is engaged in the business of providing ERP educational solutions

Financial Performance

The Audited financial accounts of M/s. Jointeca Technologie (Sole-proprietorship concern) for the last three (3) years are as follows:

Particulars	Eight (8) months period ended November 10, 2011	March 31, 2011	(₹ in Lacs)	
			March 31, 2010	March 31, 2009
Total Income	116.25	111.33	55.84	39.93
Profit / (Loss) after Tax	19.88	16.06	4.12	3.06
Proprietorship Capital Account	585.00	29.13	14.71	8.74
Assets	581.70	24.54	17.48	20.02
Investments	-	-	-	-
Net Current Assets	73.69	47.68	18.02	9.47
Loans - Secured	-	5.20	9.90	14.70
Loans - Unsecured	50.40	37.90	10.90	3.00

Our Shareholders

Our Company has 28 shareholders, as on the date of the Draft Prospectus. For further details regarding the shareholders of our Company, please refer to the section titled "*Capital Structure*" on Page no. 38 of this Draft Prospectus.

Shareholders' Agreements

Our Company does not have any subsisting Shareholders' agreement as on the date of the Draft Prospectus.

Material / Other Agreements

Except the contracts/ agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any Material / other Agreements/ Contracts.

Strategic Partners

We have not entered into any strategic tie up.

Financial Partners

As on the date of the Draft Prospectus, apart from the various arrangements with bankers and lenders which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

OUR MANAGEMENT

The Articles of Association of our Company, subject to provisions of section 252 and 259 of the Companies Act, 1956, require us to have not less than three (3) and not more than twelve (12) Directors.

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

Name, Father's Name, Address, Occupation & Term & DIN	Age (In years)	Qualification	Designation & Status	Other Directorships / Proprietorship/ Trusteeship
Ramesh Chand Sharma S/o: Late Shyam Swaroop Sharma Address: 638, Golpara Mathura – 281 001 Date of Appointment as Director: December 14, 2011 Date of Appointment as a Chairman cum Non-Executive and Independent Director: December 14, 2011 Term as Chairman: Liable to retire by rotation Occupation: Retired Serviceman DIN: 05115692	70	M.Sc., B.ED.	Chairman cum Non-Executive and Independent Director	NIL
Vishal Mishra S/o: Deo Dutt Mishra Address: 182, Gali Ganga Singh, Dholi Piyau, Mathura – 281 001 Date of Appointment as Director: May 24, 2011 Date of Appointment as Managing Director: December 15, 2011 Term as Managing Director: upto December 14, 2014 Occupation: Business DIN: 03363363	40	B.Sc., Advanced Diploma in Software Technologies, Diploma in Computer Hardware, Certificate of Training Software Development And Live Project	Managing Director, Executive and Non-Independent Director	NIL
Vivek Mishra S/o: Deo Dutt Mishra Address: 182, Gali Ganga Singh, Dholi Piyau, Mathura – 281 001 Date of Appointment as Director: November 10, 2011 Date of Appointment as a Whole-Time Director: December 15, 2011 Term as Whole-Time Director: Upto December 14, 2014 Occupation: Business DIN: 03562969	34	M.B.A. Marketing	Whole-Time Director, Executive and Non-Independent Director	NIL
Alok Mittal S/o: Late Rajendra Kumar Mittal	41	SSC, HSC, B.A.,	Whole-Time Director,	NIL

Address: A-21, Motikunj Extn., Mathura – 281 001 Date of Appointment as Director: May 24, 2011 Date of Appointment as a Whole-Time Director: December 15, 2011 Term as Whole-Time Director: Upto December 14, 2014 Occupation: Service DIN: 03404556		Certificate in Computing	Executive and Non-Independent Director	
Umesh Chand Sharma S/o: Late Laxmi Narayan Sharma Address: 151, Chungi Gali, Dholi Piau, Mathura – 281 001 Date of Appointment as Director: December 14, 2011 Date of Appointment as Whole Time Director: December 15, 2011 Term as Whole-Time Director: Upto December 14, 2014 Occupation: Service DIN: 05147318	40	B.A.	Whole-Time Director, Executive and Non-Independent Director	NIL
Hariom Prasad Agarwal S/o: Ravi Prasad Agarwal Address: 68, Mayur Vihar Colony, Dhauli Pyau, Mathura – 281 001 Date of Appointment as Director: November 10, 2011 Term: Liable to retire by rotation Occupation: Business DIN: 03562889	46	Intermediate	Non-Executive and Non-Independent Director	NIL
Abhay Gautam S/o: Late Chhote Lal Gautam Address: 176, Gali Ganga Singh, Dhauli Peau, Gautam Bhawan, Mathura – 281 001 Date of Appointment as Director: December 14, 2011 Term: Liable to retire by rotation Occupation: Business DIN: 03562892	46	B.A	Non-Executive and Non-Independent Director	NIL
Pradeep Kumar Saxena S/o: Late Girish Chand Saxena Address: B-99, Moti Kunj Extension, Mathura – 281 001 Date of Appointment as Director: December 14, 2011 Term: Liable to retire by rotation	37	SSC, HSC, B.Sc., M.A.	Non-executive and Independent Director	NIL

Occupation: Business DIN: 03563093				
Neerav Nimesh Agarwal S/o: Ramesh Chand Agarwal Address: A-15/16, Moti Kunj, Mathura – 281 001 Date of Appointment as Director: December 14, 2011 Term: Liable to retire by rotation Occupation: Business DIN: 00500650	35	B.Tech. (Civil) from IIT, Delhi PGDM from IIM, Calcutta	Non- executive and Independent Director	<ul style="list-style-type: none"> • Techman Buildwell Private Limited • Techman Energy Limited

Note:

None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filing this Draft Prospectus.

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.

Neither our Promoters nor our Directors or persons in control of our Company, have been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by the SEBI.

The companies, with which any of the Promoters, Directors or persons in control of our Company are or were associated as promoters, directors or persons in control, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority.

None of our Directors were directors of any Company when the shares of the said Company were suspended from trading by Stock Exchange(s) for more than 3 months during last 5 years or delisted.

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

As on the date of the Draft Prospectus, there are no service contracts entered into by and between our Directors and our Company whereby benefits would be provided upon termination of employment.

Brief Biographies of our Board of Directors

- 1. Ramesh Chand Sharma** is the Chairman of our Company. He has over 40 years of experience in providing Education and 10 years experience in administration of different educational bodies. He has an in-depth knowledge of Education System in India. He will be responsible for laying down the directions for implementing the system to the solutions.
- 2. Vishal Mishra** is the Managing Director of our Company. He has completed his graduation in science stream with Advanced Diploma in Software Technology. He also holds a diploma in Computer Hardware Engineering. Apart from this, he has also updated his knowledge through various certificate courses. He possesses over 18 years of experience in the technology market, education field, software product development and in creating sale partners both in India and International market. He started the business of providing IT solutions in the year 1997

through his sole-proprietorship concern, Jointeca Technologie. Currently, he is in charge of our Company's corporate growth strategies, development and overall execution and management.

3. **Vivek Mishra** is the Whole time Director of our Company. He has done his Masters in Business Administration (MBA) in Marketing Management from University of Pune and has an experience of over 10 years. He has also worked in the field of education. He will be responsible for all marketing operations of our Company.
4. **Alok Mittal** is the Whole time Director of our Company. He has completed his Bachelor of Arts from Dr. B.R. Ambedkar University, Agra and has also finished a Certificate Course in Computing. He holds at least 7 years of experience in IT Related Hardware Operations. He will be responsible for the general administration, internal operations and staff support services of our Company.
5. **Umesh Chand Sharma** is the Whole time Director of our Company. He finished his Bachelor of Arts from Dr. B.R. Ambedkar University. He possesses at least 8 years of Experience in consultancy pertaining to Hardware and Networking.
6. **Neerav Nimesh Agrawal** is a Non-Executive and Independent Director of our Company. He has completed his Post Graduate Diploma Course in Management from IIM Kolkata and also holds a Bachelor of Engineering (Civil) from IIT Delhi. He possesses vast experience in the field of Real Estate and education.
7. **Pradeep Kumar Saxena** is a Non-Executive and Independent Director. He holds over 3.5 years of experience in publishing & editing . He has finished his Master of Arts from Dr. B.R. Ambedkar University.
8. **Hariom Prasad Agrawal** is a Non-Executive and Non-Independent Director. He possesses around 8 years of experience in trading, services of different businesses and holds good contacts and command in these areas by frequently liasioning with private institutions to procure orders. He has relations with various educational societies and private institutions. He has been looking after the big order procurements from societies and private institutions.
9. **Abhay Gautam** is a Non-Executive and Non-Independent Director. He completed his Bachelor of Arts from Dr. B.R. Ambedkar University, Agra. He has at least 7 years of experience in trading. He maintains good relations with various educational societies and government organizations. He is looking after the procurement of orders from various departments of the government.

Nature of Family Relationship among our Directors

Vishal Mishra and Vivek Mishra are related to each other. Mr. Vivek Mishra is the brother of Mr. Vishal Mishra.

Borrowing Powers of the Board

Our Articles, subject to the provisions of the Act, authorize our Board at its discretion to generally raise or borrow or secure the payment of any sum or sums of money for the purpose of our Company. Pursuant to a resolution passed by our shareholders at the EGM held on December 14, 2011, our Board has been authorized to borrow any sum or sums of moneys 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 a sum of ₹ 100 crores.

Remuneration payable to our Directors

The Company has a policy of payment of remuneration to the Managing Director and Whole Time Directors of the Company. Non-executive directors of the Company are not being paid any remuneration. As per the provisions of the Articles of Association, the Board may fix an amount of sitting fee payable to non-executive directors to attend the meeting of the Board of Directors and the Committee of the Directors. As per the resolution passed by the Board of Directors in its meeting held on December 15, 2011, Non-executive Directors are entitled for sitting fees of ₹ 6,000 for each Board meeting attended by them and ₹ 3,000 for each meeting of the Committee of the Board attended by them.

Terms of appointment and remuneration of the Managing Director and Whole Time Directors of the Company are as follows:

1. Vishal Mishra, Managing Director

Designation: Chief Executive Officer (CEO)

Tenure: Three years from December 15, 2011 till December 14, 2014

Remuneration:

Basic Salary: ₹ 90,000 (Rupees Ninety Thousand only) per month

Perquisites & Allowances:

- i. Rent Free Accommodation: Suitable Rent free accommodation upto a sum equal to 50% of the basic salary per month;
- ii. Providing Car with Chauffeur for use in the business purpose;
- iii. Medical expenses for self, spouse and children upto a limit of two months salary in a year;
- iv. Expenses for mobile phone and telephone at residence;

Mr. Vishal Mishra as Managing Director of the Company is also paid the following statutory perquisites as per Company's policy:

Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

Encashment of leave at the end of tenure.

2. Vivek Mishra, Whole Time Director

Designation: Whole Time Director (Business Development)

Tenure: Three years from December 15, 2011 till December 14, 2014

Remuneration: ₹ 30,000/- (Rupees Thirty Thousand) only per month whether paid as Salary, allowance(s), perquisites or a combination thereof

He is also paid the following statutory perquisites as per Company's policy:

Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and Encashment of leave at the end of tenure.

3. Alok Mittal, Whole Time Director

Designation: Whole Time Director (Operations)

Tenure: Three years from December 15, 2011 till December 14, 2014

Remuneration: ₹ 30,000/- (Rupees Thirty Thousand) only per month whether paid as Salary, allowance(s), perquisites or a combination thereof

He is also paid the following statutory perquisites as per Company's policy:

Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and Encashment of leave at the end of tenure.

4. Umesh Chand Sharma, Whole Time Director

Designation: Whole Time Director (Technical)

Tenure: Three years from December 15, 2011 till December 14, 2014

Remuneration: ₹ 30,000/- (Rupees Thirty Thousand) only per month whether paid as Salary, allowance(s), perquisites or a combination thereof

He is also paid the following statutory perquisites as per Company's policy:

Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and Encashment of leave at the end of tenure.

Policy on Disclosure and Internal Procedure for prevention of Insider Trading

The Provisions of Regulations 12(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992 will be applicable to our Company immediately upon the listing of its Equity Shares on the BSE SME Exchange.

Ms. Tulsi Sharma, the Company Secretary and Compliance Officer is responsible for setting forth policies, procedures, and also to monitor and adhere to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

Further, Board of Directors have approved and adopted a policy on insider trading.

Shareholding of the Directors

As per the Articles of Association of our Company, a Director of our Company is not required to hold any qualification shares. The shareholding of the Directors as on the date of filing this Draft Prospectus is 55,92,700 Equity Shares of our Company which are set forth below:

Sr. No.	Name of the Director	No. of Equity Shares held	% of shareholding (Pre-Issue)
1)	Ramesh Chand Sharma	Nil	Nil
2)	Vishal Mishra	54,05,000	84.04%
3)	Vivek Mishra	61,000	0.95%
4)	Alok Mittal	12,100	0.19%
5)	Umesh Chand Sharma	1,300	0.02%
6)	Hariom Prasad Agrawal	53,300	0.83%
7)	Abhay Gautam	60,000	0.93%
8)	Pradeep Kumar Saxena	Nil	Nil
9)	Neerav Nimesh Agarwal	Nil	Nil

Interest of Directors

Except for the above, all Directors of the 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. The Managing Director and Whole-Time Directors will be interested to the extent of remuneration paid to them for services rendered by them as officers of the Company. All our directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in the Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of the Draft Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Our Directors do not have any interest in any property acquired by our Company for a period of two (2) years before filing this Draft Prospectus with BSE SME Exchange or proposed to be acquired by us as on date of filing this Draft Prospectus with SEBI.

Interest as to Property

Except to the extent of consideration payable by our Company to our Directors as disclosed in paragraph titled *"Properties and Offices"* in the section titled *"Business Overview"* on Page no. 82 of this Draft Prospectus, our Directors have no interest in any property acquired by the Company within two (2) years of the date of filing this Draft Prospectus.

Changes in our Board of Directors in the last three (3) years

The following changes have taken place in the Board of Directors of our Company during the last three (3) years:

Sr. No.	Name	Date of Appointment	Date of Cessation	Reason
1	Hariom Prasad Agarwal	November 10, 2011	-	Appointed as Additional Director
2	Vivek Mishra	November 10, 2011	-	Appointed as Additional Director
3	Neerav Nimesh Agarwal	December 14, 2011	-	Appointed as Director
4	Abhay Gautam	December 14, 2011	-	Appointed as Director
5	Pradeep Kumar Saxena	December 14, 2011	-	Appointed as Director
6	Ramesh Chand Sharma	December 14, 2011	-	Appointed as Director
7	Umesh Chand Sharma	December 14, 2011	-	Appointed as Director

8	Hariom Prasad Agarwal	December 14, 2011	-	Appointed as Director
9	Vivek Mishra	December 14, 2011	-	Appointed as Director
10	Vishal Mishra	December 15, 2011	-	Appointed as Managing Director
11	Vivek Mishra	December 15, 2011	-	Appointed as Whole Time Director
12	Alok Mittal	December 15, 2011	-	Appointed as Whole Time Director
13	Umesh Chand Sharma	December 15, 2011	-	Appointed as Whole Time Director

Compliance with Corporate Governance Requirements

Clause 52 of the SME listing agreement deals with the provisions relating to the corporate governance in a listed Company. Provisions of the SME Listing Agreement in respect of Corporate Governance are applicable to the Company immediately upon seeking in-principle approval from the Stock Exchange(s) for listing of the Equity Shares on the various stock exchanges on SME platform.

Accordingly, the Company has undertaken steps to comply with the SEBI Guidelines on Corporate Governance. The Company's Board has nine Directors, of which three are Independent directors. The Chairman of the Board is a non executive Director. Committees of the Board had been constituted in order to look into the matters in respect of Audit, Compensation of Executive directors, Shareholders/Investors Grievance Redressal.

Composition of the Board

As per Clause 52 of the SME listing agreement, the Board of directors of the Company should have an optimum combination of Executive and Non-executive directors with not less than fifty percent of the Board of directors comprising of Non-Executive directors. Where the Chairman of the Board is a Non-executive Non-promoter director, at least one-third of the Board should comprise of Independent directors and in case he is an Executive director or Promoter director, at least half of the Board should comprise of Independent directors.

The Board of Directors, as on date, comprises a total of nine Directors which includes one Managing Director, three Whole-Time Directors, three Independent Directors and two Non- Executive Non-Independent Directors.

Audit Committee

The Audit committee of the Board of Directors was constituted on December 14, 2011.

Composition: The Audit Committee comprises of three Directors with the Chairman, being an Independent director.

1. Mr. Ramesh Chand Sharma - Chairman (Independent Director)
2. Mr. Vishal Mishra - Member (Promoter Director)
3. Mr. Neerav Nimesh Agarwal – Member (Independent Director)

Presently Tulsi Sharma, Company Secretary acts as Secretary of the Committee.

Terms of Reference

The terms of reference of the Audit Committee, as defined by the Board of Directors in their meeting held on December 14, 2011. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

To review financial reporting process, all financial statements;

To recommend appointment/ re-appointment/ replacement/ removal/ Audit fees/ any other fees of Statutory Auditor;

Reviewing along with management, the listing compliances, related party disclosures, qualifications in draft audit report, matters required to be included in Directors Responsibility Statement, quarterly financial statements before its submission to the Board, changes in accounting policies, major accounting entries based on estimate of management;

To look into all matters relating to internal control system, internal audit system and the reasons for substantial defaults in the payment to the depositors;

To review functioning of *"Whistle Blower Mechanism"*, if any;

To review Management's Discussion and Analysis of financial condition and results of operation, statement of significant Related Party Transactions as submitted by management, internal audit report;

All matters cover under the duty to review by the Audit Committee under the SME Listing Agreement;

To monitor the utilization of the IPO proceeds.

Remuneration Committee

The Remuneration Committee of the Board of Directors was constituted on December 14, 2011.

Terms of Reference

The Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for executive directors and for this purpose, the Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary.

Composition

The Remuneration Committee consists of three Directors, all of them being Non-Executive and Independent directors.

1. Mr. Ramesh Chand Sharma - Chairman (Independent Director)
2. Mr. Pradeep Kumar Saxena - Member (Independent Director)
3. Mr. Neerav Nimesh Agarwal – Member (Independent Director)

Presently, Ms. Tulsi Sharma, Company Secretary acts as Secretary of the Committee.

Shareholders' Grievance Committee

The Shareholder's Grievance Committee of the Board of Directors was constituted on December 14, 2011.

Terms of Reference

Since the Company is proposing to make public issue of its shares, this committee has been constituted by the Board of Directors to specifically look into redressing the shareholders and investors' complaints and to expedite the process of redressal of complaints like transfer of shares, demat of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

Composition

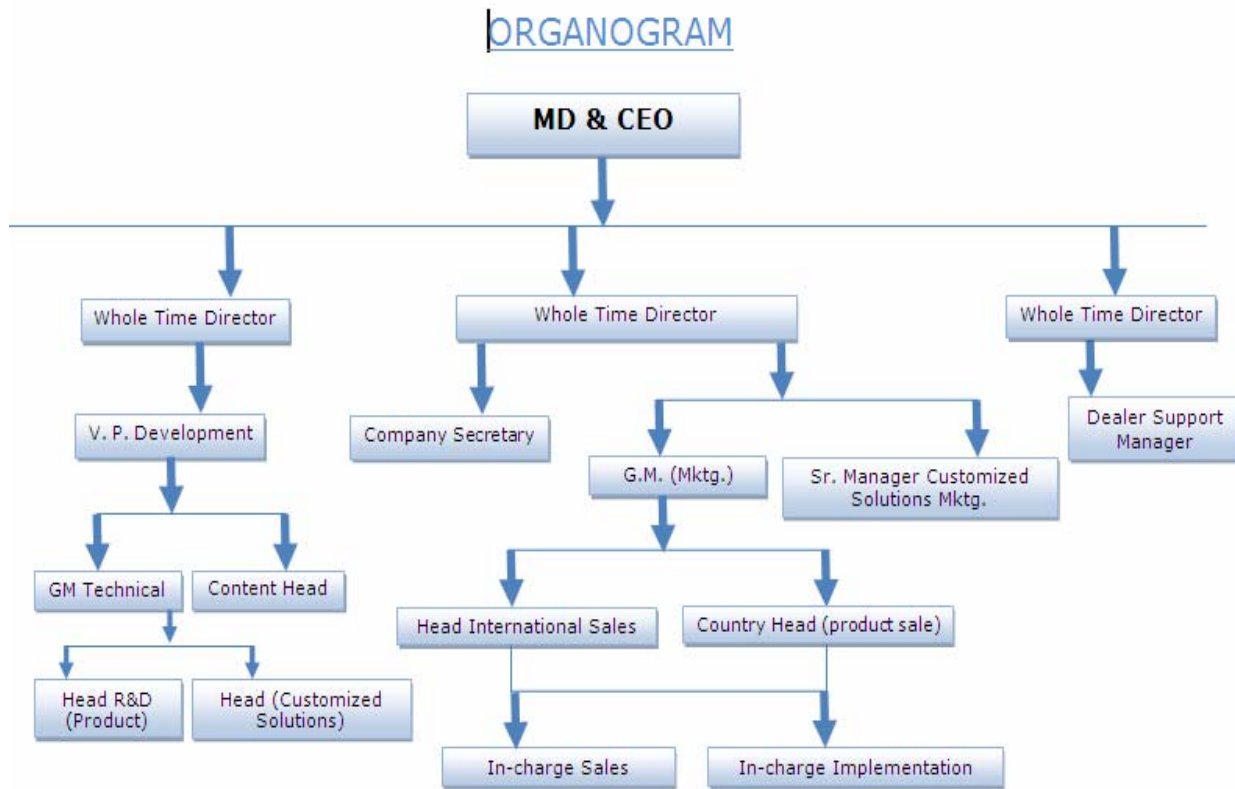
1. Mr. Ramesh Chand Sharma – Chairman (Independent Director)
2. Mr. Vishal Mishra – Member (Promoter Director)
3. Mr. Neerav Nimesh Agarwal – Member (Independent Director)

Presently, Ms. Tulsi Sharma, Company Secretary acts as Secretary of the Committee.

Code of Conduct

In terms of Clause 52 of the listing agreement all listed companies have to adopt a Code of Conduct for Board Members and Senior Management of the Company in their organization. Since the Company is proposing to be listed on BSE SME Exchange after the public issue of its shares, the Company has adopted a Code of Conduct for Board Members and Senior Management in the Board meeting held on December 15, 2011.

Management Organization Structure (Chart)



Key Managerial Personnel

The details of the Key Managerial Personnel, as on the date of this Draft Prospectus are as follows:

Our Company is managed by Board of Directors, assisted by qualified and experienced professionals in the field of Educational Software, Finance and Marketing. The following key personnel assist the management.

Sr. No.	Name of Employee, Age	Qualification	Experience	Date of Joining	Salary Package Per Month (In ₹)	Designation	Previous Employment
1	Dr. B.K Mishra	PHD and Graduate from IIT Kanpur	30 Yrs	May 15, 2012	48,000	Vice President (Technical)	HBTI Engineering College
2	Yagya Datta Age – 38 Yrs	P.h.d. (Statistics)	10 Yrs	June 15, 2011	48,000	Content Head	Smt. Sheela Gautam Inter College, Aligarh
3	Shiv Kumar Dixit Age – 37 Yrs	B.Sc. ADIST	12 Yrs	November 11, 2011	64,000	General Manager (Development)	Jointeca Technologie, Mathura
4	Bhim Prakash Singh Age – 31 Yrs	B.Sc. M.C.A.	03Yrs	November 11, 2011	37,000	Senior Manager (R&D)	Edysoft Technology, New Delhi
5	Deependra Agarwal Age – 29 Yrs	B.Sc., M.C.A.	3.5 Years	November 11, 2011	30,000	Senior Manager (Technical)	Jointeca Technologie & B-Square Solutions Pvt Ltd
6	Ashish Kashyap Age – 42 Yrs	B.Com. / Diploma in Software Engineering	11Yrs	November 11, 2011	24,000	Senior Manager (P&A)	Rajasthan Textiles, Mathura
7	Vijay Verma Age – 32 Yrs	B.B.A.	10 Yrs	November 11, 2011	48,000	Country Head (Product Sale)	Jointeca Technologie, Mathura
8	Shalini Pachauri Age – 32 Yrs	M.Sc.,	06 Yrs	November 11, 2011	18,000	Senior Manager (Customer Support)	Max Newyork Life, Mathura
9	Savita Bansal Age - 25	B.Com. L.L.B. C.S. (Executive)	11 Months	November 11, 2011	20,000	Manager (F&A)	Jointeca Technologie, Mathura

10	Minakshi Jain Age - 30	B.Sc.,	03Yrs	November 11, 2011	24,000	Senior Manager, Channel Support	Jointeca Technologie, Mathura
11	Tulsi Sharma- 28	B. Com, A.C.S.	Fresher	December 01, 2011	10,000	Company Secretary & Compliance Officer	N. A.

Dr. B. K Mishra is the Vice President (Technical) of the Company. He is a graduate and P.hd from IIT Kanpur. He has over 30 years of experience in education sector. He has got outstanding capabilities to execute the products on the technical front.

Yagya Datta is the Content Head of the Company. He has completed his PhD in Statistics. He has over 10 years of Experience in Educational Content Management. He is responsible for the verification and finalization of the subject contents being used by the Company.

Shiv Kumar Dixit is the General Manager (Development) of the Company. He has completed his Bachelors degree of Science and has also completed a course on Advanced Diploma in Software Technology. He has over 12 years of experience in Software Analysis, Design and Product Development. His responsibilities are to create periodic schedules, project plans and preparing the project vision according to the marketing feedback, finalize the project goals and to control the team. He is also responsible for planning of product versions.

Bhim Prakash Singh is the Senior Manager (R&D) of the Company. He holds a Bachelors degree of Science and Masters in Computer Applications. He possesses around 03 years of experience in Software Designing, Research and Development. His responsibilities include working on Research and development for future technologies and studying the expected demands of products based on institutional requirements.

Deependra Agarwal is the Senior Manager (Technical) of the Company. He has Bachelor degree of Science and Masters in Computer Applications. He has over 3.5 year of experience in Software Design and Development. He is responsible to expedite the orders according to the completion plan and leading the development team.

Ashish Kashyap is the Senior Manager (P&A) of our Company. He holds a degree in Bachelor of Commerce and also completed a course on Diploma in Software Engineering. He holds to his credit about 11 years of experience in Accounts, Personnel and Administration. He is responsible for authentication of accounting transactions according to the budgetary control of the Company. He is also responsible for handling activities like Staff Welfare, Leading Time Office, Pay-roll System and all administrative activities of the Company.

Vijay Verma is the Country Head (Product Sale) of the Company. He has procured Bachelors degree of Business Administration. He possesses around 10 years of experience in sales management. His responsibilities include promotion of dealers' network throughout the country, motivate dealers to accelerate their sales targets, organizing dealer meets for product improvement and betterment to achieve new ideas for sales promotion as well as continual coordination between technical and sales team to get the issues resolved for the betterment of product.

Shalini Pachauri is the Senior Manager (Customer Support) of the Company. She has a Masters degree in Science and has also completed a Diploma in Software Applications. She has around 6 years of experience in the area of Customer support. Her responsibilities involve leading the

customer support team, timely rectification of issues and providing solutions to customers' queries to the best of their satisfaction.

Savita Bansal is the Manager (F&A) of the Company. She holds a degree in Bachelor of Commerce and also a degree in law (L.L.B.). She possesses around 11 Months of experience in the field of Finance and Accounts. Her responsibilities include Fund Management, Budgetary control etc.

Minaxi Jain is the Senior Manager (Channel Support) of the Company. She is a Science Graduate. She possesses around 3 years of experience in the area of Customer Development and Support. She is responsible for collecting the feedback and maintains constant communication with customers for future product enhancements and to channelize the obtained information into R&D and Development Cells.

Tulsi Sharma is the Company Secretary and Compliance Officer of the Company. She joined our Company on April 27, 2012 and is responsible for looking after the secretarial affairs of the Company. Ms. Tulsi Sharma is an associate member of the Institute of Company Secretaries of India, New Delhi.

Note:

- All our Key Managerial Personnel are on the payrolls of our Company as permanent employees of our Company.
- 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.
- Except as disclosed in the Related Party Transaction beginning on page no 142 there are no other Key Managerial Personnel mentioned above are related parties as per Accounting Standard 18.

Relationship between Promoters / Directors and Key Managerial Personnel

None of the Key Managerial Personnel are related to the Promoters/ Directors of our Company. None of the Key Managerial Personnel are related to each other.

Arrangement for selection of Directors or Members of Senior Management

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel is selected as a director or member of senior management.

Details of service contracts of our Key Managerial Personnel

Except for the appointment letters, our Key Managerial Personnel have not entered into any other contractual arrangements with our Company.

Bonus or profit sharing plan for Key Managerial Personnel

Our Company does not offer any bonus or profit sharing plan to its Key Managerial Personnel, as on the date of the Draft Prospectus.

Shareholding of our Key Managerial Personnel

The following table sets forth the shareholding of our Key Managerial Personnel as on the date of the Draft Prospectus:

Sr. No.	Name	No. Of Equity shares held
1.	Ashish Kashyap	1300

Changes in our Key Managerial Personnel

Changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

Sr. No.	Name	Designation	Date of Joining / Leaving	Reason for Change
1.	Sunil Mittal	Vice President (Marketing)	November 11, 2011	Appointment
2.	Yagya Datta	Content Head	June 15, 2011	Appointment
3.	Shiv Kumar Dixit	General Manager (Development)	November 11, 2011	Appointment
4.	Bhim Prakash singh	Senior Manager (R&D)	November 11, 2011	Appointment
5.	Deependra Agarwal	Senior Manager (Technical)	November 11, 2011	Appointment
6.	Ashish Kashyap	Senior Manager (P&A)	November 11, 2011	Appointment
7.	Vijay Verma	Country Head (Product Sale)	November 11, 2011	Appointment
8.	Shalini Pachauri	Senior Manager (Customer Support)	November 11, 2011	Appointment
9.	Savita Bansal	Manager (F&A)	November 11, 2011	Appointment
10.	Minakshi Jain	Senior Manager Channel Support	November 11, 2011	Appointment
11.	Deepak Kumar Jha	Company Secretary and Compliance Officer	April 22, 2012	Resignation
12	Ms. Tulsi Sharma	Company Secretary and Compliance Officer	April 27, 2012	Appointment

Employees

The details of our employees appear under the section titled *"Business Overview"* under the paragraph Page no. 82 of this Draft Prospectus.

Employees Stock Option Scheme

Presently, our Company does not have any Employees Stock Option Plan/ Scheme or any other similar scheme giving options to our employees as on the date of the Draft Prospectus.

Payment of Benefits to Officers of our Company

Except as stated in the Draft Prospectus, no amount or benefit has been paid or given, within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as Directors, officers, employees of our Company.


Interest of Key Managerial Personnel

Except as mentioned above, none of our Key Managerial Personnel are interested in our Company except to the extent of their shareholding, if any, in our Company and the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.


OUR PROMOTERS AND PROMOTER GROUP

Details of Promoter being an Individual


1) Mr. Vishal Mishra

	Designation	Managing Director & Chief Executive Officer (CEO)
	Personal Address	182, Geeta Bhawan, Gali Ganga Singh, Dholi Pyou, Mathura – 281 001
	Qualification	B.Sc., Advanced Diploma in Software Technologies, Diploma in Computer Hardware, Certificate Course in Software Development, Advanced Diploma in Computer Science
	Nationality	Indian
	PAN	ABHPM0921E
	Voter ID Number/Unique ID	1207/00902/01730
	Passport Number	E6081533

2) Mrs. Laxmi Agrawal

	Designation	Promoter
	Personal Address	68, Mayur Vihar Colony, Dholi Pyou, Mathura – 281 001
	Qualification	Matriculation
	Nationality	Indian
	PAN	AEEPA7961C
	Voter ID Number	JBH2253565
	Passport Number	E9323195

3) Mr. Abhay Gautam

	Designation	Promoter and Non-Executive Director
	Personal Address	176, Gali Ganga Singh, Dholi Pyou, Gautam Bhawan, Mathura – 281 001
	Qualification	B.A.
	Nationality	Indian
	PAN	AKBPG4213G
	Voter ID Number	UP/74/363/0417002
	Passport Number	F0058232

Declaration

Our Company confirms that the permanent account number, bank account number and passport number, as applicable of our Promoters shall be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with them.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also is a promoter, director or person in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) have been declared a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against him.

Our Promoter Group

Our Promoter Group consist of 25 persons as disclosed in the section capital structure beginning on page number 38

Relatives of the Promoters

Immediate Relatives	
I. Mr Vishal Mishra	
Spouse	Mrs Poonam Mishra
Father	Mr Deo Dutt Mishra
Mother	Mrs Geeta Mishra
Brother	Mr Vivek Mishra
Sister	Mrs. Anju Bharadwaj
Sons	Mr Samrat Dutt Mishra
Daughters	Ms Tripti Mishra
Spouse's Father	Late Shri Gopal Prasad Sharma
Spouse's Mother	Smt. Mithlesh Sharma
Spouse's Brother	Mr Anuj Bhardwaj
Spouse's Sister	Ms Anuradha Bhardwaj, Ms Dipti Bhardwaj
II. Mrs Laxmi Agrawal	
Spouse	Mr.Hari Om Prasad Agrawal
Father	Shri R.N. Agrawal
Mother	Smt. G.D. Agrawal
Brother	Mr. Rakesh Agrawal
Brother	Mr. Krishnakant Agrawal
Brother	Mr. Hari Prakash Agrawal
Sister	Mrs. Kusum Agrawal
Sister	Mrs. Snehlata Agrawal
Sister	Mrs. Madhuri Agrawal
Sister	Mrs. Indrawati Agrawal
Sons	Mr.Kanhiya Agrawal

Daughters	Mrs.Radha Agrawal
Daughters	Mrs. Kishori Agarwal
Daughters	Ms Sweta Agrawal
Spouse's Father	Shri R.P. Agrawal
Spouse's Mother	Smt K.D.Agrawal
Spouse's Brother	Mr S S Agrawal
Spouse's Sister	Mrs Bebi Agrawal, Mrs Kusum Devi Agrawal, Mrs Kamal Agrawal, Mrs Geeta Agrawal, Mrs Hemlata Agrawal
III. Mr Abhay Gautam	
Spouse	Mrs. Sapna Gautam
Father	Late Shri C.L.Gautam
Mother	Late Smt Rama Devi Gautam
Brother	Nil
Sister	Mrs. Sudha Gautam, Mrs. Suman Gautam, Mrs. Sushma Gautam
Sons	Mr.Bharat Gautam
	Mr. Dhananjay Gautam
Daughters	Bhawna Gautam, Richa Gautam
Spouse's Father	Sri Pooran chand Gautam
Spouse's Mother	Smt Puspa Gautam
Spouse's Brother	Mr Hitender Gautam, Mr Kishan Kumar Gautam
Spouse's Sister	Mrs Kalpana Gautam
Body Corporate/ Companies	NIL

Interest of Promoters

Interest in Promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as shareholders of our Company and influencing significant control over the management and policy decisions of our Company.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the Draft Prospectus.

Sales or Purchases between companies in the Promoter Group

There have been no sales or purchases between companies in the Group exceeding in value in the aggregate 10% of the total sales or purchases of our Company, except those transactions mentioned under *"Transactions with Related Parties"*, beginning on Page No. 142 under the Chapter titled *"Financial Information"* beginning on page no. 135 of this Draft Prospectus.

COMMON PURSUITS

There are no common pursuits in the business of our Company and our Group Entities. Further, we have not entered into any non-compete agreements or understanding with these entities. For further details of the entities, please refer to the section titled *"Our Promoters and Promoter Group"* beginning on page no. 129 of the Draft Prospectus.

Company/Firm from which the Promoters have disassociated themselves during preceding three years

The Promoters have not disassociated themselves during the three (3) preceding years.

Related Party Transactions

Please refer to *"Transactions with Related Parties"* under the chapter titled *"Financial Information"* on page no. 142 of this Draft Prospectus.

Sale or purchase exceeding 10% between companies in the Promoter Group

There are no sale or purchase transactions between our Company and Companies in the Group exceeding in value of 10% of the total sale or purchase of our Company except those transactions mentioned under *"Transactions with Related Parties"* on page no. 142 of this Draft Prospectus.

Changes in Accounting Policies in the last three years

As the Company has started its business operations in the current year, there has been no change in accounting policies.

CURRENCY OF PRESENTATION

In this Draft Prospectus, unless the context otherwise requires, all references to the word "Lakh

" or "Lac", means "One Hundred Thousand" and the word "Million" means "Ten Lacs" and the word "Crore" means "Ten Million" and the word "Billion" means "One Thousand Million and the word "Trillion" means "One Thousand Billion". Throughout this Draft Prospectus, all the figures have been expressed in lacs of Rupees, except when stated otherwise. In the Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding off.

In this Draft Prospectus, All references to "₹", "Rupees", "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD" or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

DIVIDEND POLICY

Dividends, other than interim dividends, will be declared at the AGM of our shareholders based on the recommendation of our Board of Directors. Our Board may, at its discretion, recommend dividends to be paid to the shareholders, considering a number of factors including, without limitation, our Company's future expansion plans and capital requirements, profits earned during the Fiscal, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time, legal restrictions, our Articles of Association and other factors considered relevant by the Board of Directors.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects.

Our Company has not, since incorporation, declared dividends. Our Company's corporate actions pertaining to payment of dividends since incorporation are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI – FINANCIAL STATEMENTS
AUDITOR'S REPORT

To,
The Board of Directors
Jointeca Education Solutions Limited
Mathura.

Dear Sirs,

We have examined the following financial information of Jointeca Education Solutions Limited –

A. Financial information as per Audited Financial Statement.

B. Other Financial Information.

We have examined the following information of the Company in respect of period ended 31st Mar 2012, proposed to be included in the Prospectus, as approved by the Board of Directors and annexed to this report:

- i. Schedule of Assets and Liabilities, Annexure-I
- ii. Schedule of Profit or Loss, Annexure- II
- iii. Schedule of Cash flow statement, Annexure- III
- iv. Significant Accounting policies and Notes to the Restated statement, Annexure –IV
- v. Major Notes Forming part of the accounts, Annexure – V
- vi. Statement of Secured Loans as Restated, Annexure-VI
- vii. Statement of Unsecured Loans Restated, Annexure-VII
- viii. Schedule of Investments Restated, Annexure-VIII
- ix. Schedule of Sundry Debtors Restated, Annexure-IX
- x. Schedule of Loans & Advances as Restated, Annexure-X
- xi. Schedule of Other income as Restated, Annexure-XI
- xii. Statement of Capitalisation , Annexure- XII
- xiii. Statement significant of Accounting ratios, Annexure-XIII

In our opinion, the 'Financial Information as per Audited Financial Statements' and 'Other Financial Information' mentioned above for the period ended 31st Mar 2012 have been prepared in accordance with Part II of Schedule II of the Act and the Guidelines.

This report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report by other firms of Chartered Accountants or by us nor should this be construed as a new opinion on any of the financial statements referred to herein. Since the company is incorporated in the year 2011-12 the previous year's figures are not required to given

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

For and on behalf of
M/s. J.P. Associates
Chartered Accountants

Firm registration number: 004743C
Chartered Accountants
Prakash Hirwani
Partner
Membership no.:413260
Place: Jhansi
Date: 25/05/2012

ANNEXURE I STATEMENT OF ASSETS AND LIABILITIES AS RESTATED		
		(₹ in Lacs)
SI. No.	PARTICULARS	Period Ended 31.03.2012
A	Fixed Assets (Net)	
	Net Block	27.4
	Goodwill	518.85
	Intangible Assets	117.39
	Total Fixed Assets (A)	663.64
B	Current Assets, Loans & Advances	
	Inventories	0.00
	Sundry Debtors	55.41
	Cash & Bank Balance	23.32
	Other Current Assets	0.28
	Loans & Advances	227.56
	Total (B)	306.57
	Total Assets (A+B)	970.21
C	Liabilities & Provisions	
	Share Application Money Received	0.00
	Secured Loans	0.00
	Unsecured Loans	0.00
	Current Liabilities	4.97
	Provisions for Taxation	1.49
	Deferred Tax Liabilities (Net)	1.12
	Total Liabilities (C)	7.58
D	Net Worth (A+B-C)	962.63
E	Represented by	
	Share Capital	643.13
	Total (X)	643.13
	Reserves & Surplus	
	Securities Premium	321.07
	Profit & Loss	5.85
	Total (Y)	326.92
	Less: Miscellaneous Expenditure to the extent not written off	7.42
	Total (Z)	
	Net Worth (X+Y-Z)	962.63
Notes: Intangible Assets Includes Software Work In Progress		
Company is Incorporated in the current Financial year, hence no Last Years Figures		
The above statement should be read with the significant accounting policies and notes to accounts appearing in the section Financial Statements in Annexure IV and Annexure V		

ANNEXURE II STATEMENT OF PROFIT AND LOSS A/C AS RESTATED		
		(₹ in Lacs)
SI. No.	PARTICULARS	Period Ended
		31.03.2012
A	Income	
	Sale	133.66
	Net Sales	133.66
	Add: Other Income	
	Total	133.66
B	Expenditure	
	Purchase	16.71
	Wages and Staff Costs	20.51
	Portal Development Expenses	9.47
	Other Manufacturing Expenses	13.41
	Administrative Expenses	43.98
	Total	104.08
C	Profit Before Interest, Depreciation and Tax	29.58
	Depreciation & written-off	21.12
D	Profit before Interest and Tax	8.46
	Financial Charges	
E	Profit after Interest and before Tax	8.46
	Pre. Expenses and def. expenses w/off	
F	Profit before Taxation	8.46
	Provision for Taxation	1.49
	Deferred Taxation Liabilities (Net)	1.12
	Add/Less :Adjustment for prior year	-
	Total	5.85
G	Profit After tax but before extra-ordinary items	-
	Extra-ordinary items	-
	Impact of material adjustments for restatements in	-
	corresponding years	-
H	Net Profit after Adjustments	5.85
	Balance brought forward from prior years	-
I	Profit available for Appropriation	5.85
	Utilised for issue of fully paid bouns shares	-
J	Balance of profit carried to Balance Sheet	5.85
Note:		
Company is Incorporated in the current financial year, hence no last years figures		
The above statement should be read with the significant accounting policies and notes to accounts appearing in the section Financial Statements in Annexure IV and Annexure V		

ANNEXURE III CASH FLOW STATEMENT AS RESTATED	
	(₹ in-Lacs)
PARTICULARS	Period Ended
	31.03.2012
A. Cash Flow From Operating Activities	
Net Profit/(Loss) before Tax	5.85
Adjustments for-	-
Depreciation/Amortization	2.54
Goodwill Write off	17.89
Non-cash Expenses	-
Income Tax paid	-
Interest Received	-
Interest Payments	-
Operating Profit/(Loss) before Working Capital changes	26.28
Changes in Working Capital	-
(Increase/Decrease in Sundry Debtors	(55.41)
(Increase/Decrease in Loans & Advance	(227.56)
(Increase/Decrease in other Current assets	(117.66)
(Increase/Decrease in Sundry Creditors	-
(Increase/Decrease in Current Liabilities	7.58
(Increase/Decrease in Miscellaneous Expenditure	(7.42)
Cash generated from Operation	-
Net Cash Flow From/(Used In) Operating Activities	(374.19)
B. Cash Flow From Investing Activities	-
Purchase of Fixed Assets	(566.69)
Purchase of Investment	-
Interest Received	-
Net Cash Flow From Investing Activities	(566.69)
C. Cash Flow From Financing Activities	-
Increase/(Decrease) in Secured Loans	-
Increase/(Decrease) in Unsecured Loans	-
Increase in Equity Capital	643.13
Share Application Money Received Pending Allotment	-
Security premium receive	321.07
Net Cash Flow From Financing Activities	964.20
Net Cash In Flow/ (out Flow) (A+B+C)	23.32
Opening Balance of Cash and cash equivalents	-
Closing Balance of Cash and cash equivalents	
Components of Cash & Cash Equivalents at the end of the year	23.32
Cash in Hand	17.81
Balance in Scheduled Banks	5.51
in Current Accounts	23.32
in Fixed Deposit Accounts	-
The above statement should be read with the significant accounting policies and notes to accounts appearing in the section Financial Statements in Annexure IV and Annexure V	

Annexure IV

Statement of Significant Accounting Policies and Notes to Restated Statements

1. Background

- (a) Jointeca Education Solutions Limited (the "*Company*") (formerly Jointeca Software Solutions Private Limited) was incorporated on May 24, 2011 and the name was Changed (formerly Jointeca Education Solutions Private Limited) on August 12, 2011 under the Companies Act, 1956 (the "*Act*"). The Company is engaged in providing education software and related services.
- (b) The Statement of Restated Assets and Liabilities of the Company for the ten months and eight days(313 days) period ended March 31, 2012 and the Summary statement of Restated Profits and Losses and also the Statement of Restated Cash Flows for the ten months period ended March 31, 2012, have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("*SEBI*") in connection with its proposed Initial Public Offering. These Restated Summary Statements have been prepared to comply in all material respects with the requirements of Schedule II to the Companies Act, 1956 (the "*Act*") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI.

2. Basis of preparation

- (a) The Restated Summary Statements have been prepared on going concern basis under Historical Cost Convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 1956 (the "*Act*") and comply in all material aspects with the Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006, to the extent applicable. The accounting policies have been consistently applied by the Company.

(b) Use of estimates

The preparation of Restated Summary Statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period / year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include useful life of fixed assets, future obligations under employee retirement benefit plans, provision for doubtful debts and advances, etc. Actual results could differ from those estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

3. Significant Accounting Policies Accounting Standards

(a) AS 1 Disclosure of accounting policies

The disclosure of accounting policies is made in respect of the reporting entity. The accounts are maintained on accrual basis as a going concern.

(b) AS 2 Valuation of Inventories

Inventories are valued in accordance with the method of valuation prescribed by the Companies (Accounting Standards) Rules, 2006 at weighted average cost or net realizable value whichever is less.

(c) AS 3 Cash Flow Statements

The cash flow statement is prepared under indirect method and the same is annexed.

(d) AS 4 Contingencies and events occurring after balance sheet date

There have been no contingent events that have occurred after the balance sheet date and hence these are not applicable to the enterprise.

- (e) **AS 5 Net profit or loss for the period, Prior period items and Changes in accounting policies**
 I. Prior period items:
 There are no prior period items during the year and hence these are not applicable.
 II. Changes in accounting policies:
 There have not been any changes in accounting policies during the current year.
- (f) **AS 6 Depreciation Accounting**
 Depreciation has been provided under the Written down value method at the rates prescribed under Schedule XIV of the Companies Act, 1956.
 In respect of assets added / assets sold during the year, pro-rata depreciation has been provided at the rates prescribed under Schedule XIV.
- (g) **AS 9 Revenue Recognition**
 The income of the Company is derived from sale of Software. Sale of goods is recognized on dispatch of goods to dealers and consumers. Amount recognized as sale is exclusive of Sales tax/ VAT and is net of sales returns. No central excise duty is applicable at present for the products dealt with by the Company.
 Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (h) **AS 10 Accounting for Fixed Assets**
 All the fixed assets are valued at cost including expenditure incurred in bringing them to usable condition less depreciation.
- (i) **AS 11 Accounting for effect of changes in foreign exchange rates**
 Not applicable as there was no foreign exchange transactions during the year.
- (j) **AS 12 Accounting for government grants**
 The Company has not received any grant.
- (k) **AS 13 Accounting for Investments**
 Not applicable there was no investment.
- (l) **AS 14 Accounting for Amalgamations**
 During the year there was takeover of business of Jointeca Technologie, all the assets and liabilities were takeover at their book value.
- (m) **AS 15 Accounting for Employee benefits**
 a) Presently, provident fund schemes and the Employees state insurance schemes are applicable to the employees of the company and hence no provision for the same is accounted.
 b) Gratuity and Encashment of leave benefits to employees are accounted for on payment basis as none of the employees are eligible for the same at present.
- (n) **AS 16 Borrowing Costs**
 The borrowing costs have been treated in accordance with Accounting Standard on borrowing costs issued by the Companies (Accounting Standard) Rules, 2006.
- (o) **AS 17 Segment Reporting**
 The Company operates in only one segment viz., Education Software sales and hence the Accounting Standard on segment reporting is not applicable.

(p) **AS 18 Related party disclosures**

In accordance with the requirements of Accounting Standard 18, "Related Party Disclosures" notified under the Companies Act, 1956, the related party disclosures are given below:

Disclosures of Related Party transactions have taken place during the period.

Company acquired the business of Jointeca Technologie in whom Mr. Vishal Mishra was a Proprietor on a consideration of ₹ 5.85 crores who is Managing director in this company.

RELATIONSHIP (DURING THE YEAR)	RELATED PARTY
Related Party Where Control Exists Subsidiary Companies	Nil
Related Party Where Significant Influence Exists Associate Companies	NIL
Related Party Transaction with Directors of Company Managing Director Whole Time Director Whole Time Director Whole Time Director Director Director	Vishal Mishra Vivek Mishra Alok Mittal Umesh Chand Sharma Hari Om Prasad Agarwal Abhay Gautam
Key Managerial Personnel (KMP)	Ashish Kashyap
Other Related Parties (ORP)	Laxmi Agarwal Hari Om Agarwal (HUF) HD Mishra Poonam Mishra Vimlesh Agarwal Sweta Agarwal Mahima Mittal Kanhya Agarwal Amit Agarwal Ashish Garg Pawan Kumar Bansal Deepti Mishra Nitin Agarwal Krishna Kanhya Agarwal Kishori Agarwal Kusum Devi Megha Agarwal Pushpalata Agarwal Asha Agarwal

SIGNIFICANT TRANSACTION WITH RELATED PARTY DURING THE YEAR (₹ In lacs)

NATURE OF TRANSACTION	SUBSIDIARY	ASSOCIATE	DIRECTORS	KMP	ORP
Loans And Advances (Net)	NIL	NIL	NIL	NIL	NIL
Investment	NIL	NIL	NIL	NIL	NIL
*Issue of Equity Shares	NIL	NIL	838.40	0.20	102.84
#Remuneration	NIL	NIL	0.30	1.11	0.70
Purchases	NIL	NIL	NIL	NIL	NIL
Income	NIL	NIL	NIL	Nil	NIL

*Includes 39,00,000 Equity Shares Issued Pursuant to Slump Sale Agreement with the proprietary concern of the Managing Director of the Company under which net consideration including goodwill was ₹. 585. 00 Lacs.

OUTSTANDING BALANCES AS ON 31st March, 2012

(₹ In lacs)

NATURE OF TRANSACTION	SUBSIDIARY	ASSOCIATE	DIRECTORS	KMP	ORP
Loans And Advances	NIL	NIL	NIL	NIL	NIL

(q) AS 19 Earnings Per Share

Earnings per share and Diluted Earnings per share has been calculated in accordance with Accounting Standard on borrowing costs issued by the Companies (Accounting Standard) Rules, 2006.

(r) AS 22 Accounting for Taxes on Income

- Provision for Income Tax is considered as per the provisions contained in the Income Tax Act, 1961 and the Rules made there under and applicable for the current financial year.
- The Company was incorporated during the current financial year and hence Deferred Tax is not applicable.

(s) Miscellaneous Expenditure

Expenditure incurred on increasing of authorized capital and public issue exp. is being written off over a period of 10 years. Accordingly 1/10th of the said expenditure has been written off during the year.

(t) Contingent Liabilities

As per discussion with the management of the Company, there was no Contingent Liabilities during the year.

Contingent Liabilities, if any, are disclosed in the Notes to Accounts.

(u) AS. 26 Intangible Assets

Cost incurred on preparation of the software is capitalized and amortized on a straight-line basis over a period of ten years, being the estimated useful life.

Goodwill arising from acquisition of business is amortized over the expected useful life, not exceeding ten years. In the current year goodwill has been written off on proportionate basis.

CHANGES IN THE ACCOUNTING POLICIES

The Company was incorporated during the current financial year and hence there has been no change in the Accounting Policies during the current financial year.

Annexure V

MAJOR NOTES FORMING PART OF THE ACCOUNTS

1. Managerial Remuneration

The company was converted from a Private Limited Company to a Public Limited Company w.e.f. December 13, 2011. The appointment of Managing Director was made by the Board of Directors pursuant to Articles w.e.f. December 15, 2011. The remuneration to the Managing Director has been provided in accordance with resolution passed by shareholders at the EGM of the company held on December 16, 2011 and Director Remuneration has been paid by the company within the limit of the Companies Act, 1956.

2. Deferred Tax

(₹ in lacs)

Particulars	March 31, 2012
W.D.V as per Companies Act	144.79
W.D.V as per Income Tax Act	139.96
Timing Difference Rate	4.83
Deferred Tax Liability	1.12
Transferred to P&L A/c	1.12

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.

3. Remuneration to Statutory Auditors

(₹ in lacs)

Particulars	March 31, 2012
Vat Audit Fees	0.00
Audit Fees	0.56
Legal Fees	0.00
Total	0.56

4. 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 re stated in the balance sheet.
5. Balances of sundry Debtors, Sundry Creditors and advances are subject to confirmation.
6. 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.
7. The Company has circulated letters to all its suppliers requesting them to confirm whether they are covered under the micro, small and Medium enterprises Development Act, 2006 (MSMED). Certain suppliers have provided the information. However from the majority of suppliers' confirmation are still awaited. On the basis of available information no principal or interest is payable at the period end to any supplier covered under MSMED. Further no interest was payable or paid during the period to any such supplier.
8. **Earnings per share**
The Company was incorporated in the current financial year; hence EPS has been calculated. As mentioned below **(Annexure XIII)**.

9. Information regarding Foreign Exchange earnings and expenditure:

Earnings in Foreign Exchange : NIL
Expenditure in Foreign Exchange : NIL

Annexure VI

STATEMENT OF SECURED LOANS, AS RESTATED

(₹ in lacs)

Particulars	March 31, 2012
Cash Credit	0.00
Term Loan	0.00
Other Loan	0.00
Total	0.00

Annexure VII

STATEMENT OF UNSECURED LOANS, AS RESTATED

(₹ in lacs)

Particulars	March 31, 2012
From Directors, Share holders & Relatives	0.00
Others	0.00
Total	0.00

Annexure VIII

SCHEDULE OF INVESTMENTS, AS RESTATED

(₹ in lacs)

Particulars	March 31, 2012
Long terms Investments (at Cost/ Book Value)	0.00
Short term Investment (at Cost/ Book Value)	0.00
Of Which Companies under the same Management (C)	0.00
Book Value	0.00
Market Value	0.00
Total	0.00

Annexure IX

SCHEDULE OF SUNDRY DEBTORS, AS RESTATED

(₹ in lacs)

Particulars		March 31, 2012
More than six months	Considered good	
	Receivable from promoters / promoter group co.	0.00
	Receivable from others	0.00
	Less : provision	0.00
	Total (A)	0.00
Less than six Months	Considered good	
	Receivable from promoters / promoter group co.	0.00
	Receivable from others	55.40
	Less : provision	0.00
	Total (B)	55.40
	Total (A+B)	55.40

Annexure X**SCHEDULE OF LOANS & ADVANCES, AS RESTATED***(₹ in lacs)*

Particulars	March 31, 2012
Advances to suppliers	140.56
Staff advances	0.00
Capital Advances	87.00
Security Export	0.00
Total	227.56

Annexure XI**SCHEDULE OF OTHER INCOME, AS RESTATED***(₹ in lacs)*

Particulars	March 31, 2012
Recurring Related	0.00
Non-Recurring and Unrelated	0.00

Annexure XII**Statement of Capitalisation***(₹ in Lacs)*

Particulars	Pre issue (As on March 31, 2012)	Post Issue
Borrowings:		
Short term Debts	0.00	[•]
Long term Debts	0.00	[•]
Total Debts	0.00	[•]
Shareholders Funds:		
Share Capital	643.13	[•]
Share application money	0.00	
Reserves & Surplus	326.90	[•]
Less: Misc. Expenses not written off	7.42	
Total Shareholders' Funds	962.61	[•]
Long term Debt/ Equity ratio	0.00	[•]
Total Debt / Equity ratio	0.00	[•]

Annexure XIII**Significant Accounting Ratios***(₹ in Lacs)*

PARTICULARS	31 March, 2012
Earnings Per Share (EPS)	
Net Profit After Tax	5.84
No. of Equity Shares (Weighted)	23.12
Earnings Per Share (EPS) (₹)	0.25
Net Assets Value (NAV)	
Net Assets	962.63
Less: Share Application	0.00
No. of Equity Share Outstanding	64.31
NAV per Share (₹)	14.97
Return on Net Worth	
PAT	5.84
Net Worth	962.63
Return On Net Worth (%)	0.61%

The Ratios have been computed as per the following formula:

- a) Earning per Equity Share: (Adjusted Net Profit after Tax)/ (Weighted Average number of Equity Shares).
- b) Net Asset Value: (Adjusted Net assets after reduction of Miscellaneous Expenditure not written off)/ (Equity Shares outstanding at the end of year).
- c) 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).
- d) 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.
- e) 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 Year Ended March 2012.

Date	No. of shares allotted	No. of Days	Product	No. of shares
	(A)	(B)	(C) = (A) * (B)	(C) / 365
24.05.2011	10000	312	3120000	8548
10.11.2011	3900000	143	557700000	1527945
10.11.2011	217800	143	31145400	85330
30.11.2011	803500	123	98830500	270768
21.12.2011	1500000	102	153000000	419178
	6431300		843795900	2311769

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of our financial condition and results of operations together with our audited financial statements prepared in accordance with the companies act 1956 and SEBI (ICDR) Regulation including the schedules ,annexure and notes thereto and reports thereon of the financial years ended 31st March 2012 in the chapter titled "Financial information" on page 135 based on our audited financial statements which have been prepared in accordance with Indian GAAP, The Accounting Standards and other applicable provisions of the companies act and SEBI (ICDR) Regulations.

BUSINESS OVERVIEW

Our Company was incorporated in the year 2011 in Mathura in Uttar Pradesh, India. We offer Educational ERP solutions through our product GuruSeva and our business is concentrated mainly in the Northern Region of India. Our product GuruSeva (Educational ERP Solution) is offered both as a Desktop Application and as a service through the Software as a Service model (SaaS). One of our Promoters, Mr. Vishal Mishra possesses an experience of 14 years in the business of providing Educational Solutions. Jointeca was started initially in the year 1997 as a Sole Proprietorship concern offering Educational Solutions and other customized software solutions. We are an ISO 9001:2008 certified Company. We have entered into a Memorandum of Understanding (MoU) with TransNational Computer LLC, Dubai for providing complete education management solutions.

Our Vision is to be among the top 10 Educational solutions providers.

Our Mission is to expand our presence by reaching out to at least 10,000 Schools / Colleges / Institutes through our products and services, covering one million learners through our products and services by 2015 through

- Management of education system
- Creation of learning content
- Delivery of learning

Predominantly, our clients include schools, colleges and universities.

We have two Strategic Business Units (SBUs) viz.,

1. Educational product GuruSeva for schools, colleges, institutes and universities

This Division is associated with providing Educational ERP solutions or turnkey solutions to the above institutions. We provide the following solutions in the following ways:

- a. Desktop product sale
- b. Web based product sale
- c. SAAS model deploying Software as a Service (SaaS) applications for our customer.

Our flagship product "Guru Seva" is an ERP Solution developed by the experts especially for educational institutions. It is an outcome of exhaustive research carried for about seven years. Guru Seva is a complete centralized solution, which provides a new generation IT architecture for the management within an Educational Institution. The purpose of the Guru Seva is to empower the Management and Administration with technology.

We are offering Guru Seva in three different Variants

- 1. Guru Seva (Desktop Application)**
- 2. Guru Seva (On Line Version)**
- 3. Guru Seva (In SaaS model)**

2. Online Educational portal Shiklo.in

This portal focuses on providing specialized content on career in various fields. Students can also access the educational content from this portal. In addition, online education assistance/homework assistance/exam preparation through an interactive remote mechanism is available. Apart from this, we will also provide job assistance to professionals'. This solution is addressing the students not only at primary and secondary level but also at the professional level. After registration with us, students can get assistance throughout the year on a 24x7 basis on different subjects through our panel of highly skilled teachers and professors. Apart from this, students can also get assistance and guidance in choosing the right educational institution and career.

Our target customers are

- a) Students
- b) Working Professionals
- c) Teachers

We are offering following functions in Shiklo.in

1. Online Home work & Education Assistance to Students. The students Registered who register with us will get online home-work assistance from our panel of Teachers of different Subjects. They can also get animated content as an Aid for their Education. We will be available for them 24x7x365.
2. We are also offering career guidance features on Shiklo.in. We prepare the candidate for Entrance Tests as per the area of interest.
3. If Students tell us the area of interest, desired location and Email ID; we will get data of best Schools, colleges and Universities for them to select any for further studies.

We intend to create Shiklo hubs in various cities through tie up with Cyber Cafes in locations where our product "Guruseva" is already established. This would enable the students to get assistance in documentation and use of internet. We will use these hubs as pickup centers further. The idea behind creation of Shiklo Hubs in future is that "Guruseva" is used by many schools and colleges in various cities of India. Increasing internet penetration, low existing coverage and rising demand are expected to develop this market strongly in the near future. This sector has attracted large investments and is slated to lead to strong growth opportunities for the education sector.

Team of highly skilled professionals

Our Company has a team of highly skilled and well trained software professionals. The technology skill set of this team provides our Company the flexibility to adapt to the needs of its customers and match up with the technology. We provide challenging projects to our team members to sharpen their technology skills and improve their software development knowledge.

Agile Development

We practice Scrum, Prince 2, XP agile software development methodologies. It enables analysis, design and development phases to go parallel and also have control over what is developed and when. Agile method gives us the chance to welcome changes frequently enable increasing communication between the team and the client. Hence, the result obtained is the high quality product **GuruSeva** followed by a satisfied customer with the least duration.

Expertize in emerging technologies – SaaS/Cloud

Our Company holds experience in business model and architecture consulting, architecting and deploying Software as a Service (SaaS) applications for its customers. Our team of professionals understands the cloud ecosystem and carries out end to end cloud assessment and adaption services for our enterprise customers systematically.

Brand recognition

Brand recognition plays an important role in running our business. The recognition and acceptance of our brand has significant contribution to the success of our business. Keeping the market dynamics in mind, we need to continuously update ourselves to keep up the expectations of the parents and students. If we are unable to respond in a timely and appropriate manner, our brand name and brand image may be impaired.

Implementation of our business strategies

We plan to continue to expand our brand and product portfolios and our service and distribution networks in India in the near future, both organically and inorganically. In taking these and any of such expansion initiatives, the Company faces possible risks and uncertainties.

Success of our marketing and sales network

The profitability of our business is a function of our large customer base and low overheads. We have been able to add these customers over a period of 10 years slowly through relationship management. This is one of the reasons due to which our marketing and advertising expenditure are quite low. Going forward with increase in number of customer and service line it might become more expensive to manage business as we would have to hire more quality people which might affect our margins adversely.

Industry Overview:

India with over 1 billion population has the second largest education system in the world. Education system in India is powered by public as well as private sector, with control and funding received from 3 levels: federal, state and local.

By a study conducted in 2010 the Associated Chambers of Commerce and Industry of India found that about 55% of the country's middle class households have started saving for their children's higher education. The association's report revealed that the government is planning to spend about 5% of its GDP revenues in the next five years on education. Subsequently, India's market for primary, secondary and tertiary education could be over US\$50 billion by the year 2015.

The education industry in India can be broadly classified into the Regulated segment (K12 and higher education) and the Un-regulated segment (pre-school, multimedia, ICT, coaching cases, vocational training and books). The expected market size of K-12 sector in 2012 (E) is US\$ 34 billion, with a rise of 14 per cent as compared to US\$ 20 billion in 2008. The corresponding figures for the higher education sector are US\$ 10.3 billion in 2012 (E) with a rise of 12 per cent as compared to US\$ 6.5 billion in 2008. The coaching institutes in India will witness a 17 per cent increase from US\$ 0.3 billion in 2008 to US\$ 0.6 billion in 2012 (E). Similarly, the Pre-schools market in the country will witness a rise of 36 per cent from US\$ 0.3 billion to US\$ 1 billion and the vocational training from US\$ 1.6 billion to US\$ 4 billion in 2012 (E).

Cloud Computing

Cloud computing refers to a pay-per-use model of computing where applications and software are accessed over the Internet and not owned by users. It helps IT companies to save huge costs as they do not have to invest heavily in IT infrastructure.

Various companies and providers claim various advantages of going on the cloud, but the marquee advantage is that of reduction in expenditure on Infrastructure cost by as much as 40 – 50%. Apart from cost arbitrage, cloud computing also saves users from risk of technology turning obsolete as any change in technology has to be taken care of by the service provider rather than the client.

(Source: <http://www.business-standard.com/india/news/smes-take-to-cloud-services/444679/>)

Independent studies show that the size of cloud computing market is currently about USD 400 million.

(**Source:** The study, 'private cloud landscape in India' was done by EMC Corporation, a provider of IT service and solutions, and Zinnov Management Consulting, a management consulting firm.)

According to Zinnov Management Consulting, India's cloud computing market is expected to reach USD 4.5 billion by 2015. Of this private cloud adoption will dominate and account for \$3.5 billion in revenues, growing at over 60%.

As per a study commissioned by Microsoft and conducted by International Data Corporation (IDC). Cloud computing will generate some 14 million new jobs worldwide by 2015, and India alone will create over 2 million. With the overall environment of cloud adoption fast evolving in India, cloud computing will account for a remarkable share in the total IT spends of enterprises. Total clouds spend as a percentage of the total IT spend is expected to rise up to 8.2% in 2015. IT/ITeS, telecom, BFSI, manufacturing and government sectors will contribute.

(**Source:** <http://www.thehindu.com/business/Industry/article2288102.ece>)

Summary of the Results of operation

Analysis of our Financial Performance

The Company was incorporated in the year 2011-12 itself and we took over the business of Proprietary concern of Mr. Vishal Mishra namely Jointeca Technologie only on 10th November 2011, hence full year of operations are not complete as on 31/03/2012. However, we have achieved an Income of ₹. 133.66 Lacs with the operating profit of ₹. 8.46 Lacs, generating cash flow of ₹. 28.09 Lacs. The results for 2012-13 are expected to be good as the same will be first full year of our operations after taking over the business of said Jointeca Technologie

Comparison of Recent Financial Years / Periods with Previous Financial Years / Periods

Not Applicable as the Company was incorporated on 24.05.2011

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below:

There are no outstanding litigations, suits or criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, our Group Entities, Directors, Promoter, or any other Company whose outcome could have a materially adverse effect on the business, operations or financial position of the Company and there are no defaults, non-payment or overdue of statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debentures, bonds and fixed deposits, defaults in creation of full security as per the terms of the issue/other liabilities, proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (1) of Part I 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.

Further, neither the Company nor our Promoters, members of our Promoter Group, Group Entities and Directors have been declared as wilful defaulters by the RBI or any other governmental authority and, except as disclosed in this section, there are no violations of securities laws committed by them or penalties imposed on them there under in the past or pending against them, and adverse findings regarding compliance with securities laws.

Unless stated to the contrary, the information provided below is as on the date of this Draft Prospectus

I. Litigation involving our Company

a) Cases filed against our Company

Sr. No.	Case Title/ Date of Institution/ Forum	Particulars of the case	Amount Involved (₹ In lacs)	Present Status
NIL				

b) Cases filed by our Company

Sr. No.	Case Title/ Date of Institution/ Forum	Particulars of the case	Amount Involved (₹ In lacs)	Present Status
NIL				

c) Details of Penalty imposed on the Company/ Promoters/ Directors/ Group Company in the past five years by SEBI, Stock Exchange, RBI

Sr. No.	Company/ Promoters/ Directors/ Group Companies	Particulars (Nature of penalty, reason, date etc.)	Amount of penalty (₹ in lacs)
NIL			

d) Litigations involving Promoters, Directors and Group Companies

We have been informed by the Company that there are no pending litigations by or against any promoter, director or group companies/ firms. Except as below:

Sr. No.	Case Title/ Date of Institution/ Forum	Particulars of the case	Amount Involved (₹ in lacs)	Present Status
NIL				

List of Statutory Dues to Government/ Banker/ Institutions/ Security Holders

As per the auditors report on the amount of the Company for the period 31st March, 2012; the Company is not regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, cess and other material statutory dues applicable to it. The company has not paid advance tax ₹. 1.29 lacs and has not deposited TDS of ₹. 0.55 Lacs and hence there may be some interest liability on this account

Outstanding Dues to small scale undertakings or any other creditors

There are no outstanding dues above ₹ 1,00,000 to Small-scale undertaking(s) or any other creditors by our Company, for more than thirty (30) days.

Outstanding Litigation against other companies whose outcome could have an adverse effect on our Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule XIII of the Companies Act, show cause notices or legal notices pending against any Company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

Adverse findings against any persons/entities connected with our Company as regards non-compliance with securities laws

There are no adverse findings involving any persons/entities connected with our Company as regards non compliance with securities law.

Disciplinary action taken by SEBI or Stock Exchanges against our Company

There is no disciplinary action taken by SEBI or Stock Exchanges against any persons/entities connected with our Company.

Proceedings initiated against our Company for economic offences

There are no proceedings initiated against any persons/entities connected with our Company for any economic offences.

Material Developments

There have been no material developments, since the date of the last audited balance sheet.

GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the government and various governmental agencies required for our present business and except as mentioned below, no further material 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 on the date of this Draft Prospectus.

GENERAL

Sr. No.	Description	Name of Issuing Authority/Department	Licence/ Registration Number & Date	Validity
1.	Certificate of Incorporation	Registrar of Companies, Uttar Pradesh & Uttarakhand	U72300UP2011PTC044942; Dated May 24, 2011	NA
2.	Fresh Certificate of Incorporation upon change of name from Jointeca Software Solutions Pvt. Ltd. to Jointeca Education Solutions Pvt Ltd.	Registrar of Companies, Uttar Pradesh & Uttarakhand	U72300UP2011PTC044942; Dated August 12, 2011	NA
3.	Fresh Certificate of Incorporation upon the Conversion of the Company from Jointeca Education Solutions Pvt. Ltd. to Jointeca Education Solutions Ltd.	Registrar of Companies, Uttar Pradesh & Uttarakhand	U72300UP2011PLC044942; Dated December 13, 2011	NA
4.	Certificate of Registration of the Special Resolution confirming alteration of Object Clause	Registrar of Companies, Uttar Pradesh & Uttarakhand	U72300UP2011PLC044942; Dated December 19, 2011	NA
5.	Permanent Account Number	Income Tax Department, Government of India	No. AACCCJ5999E; Dated NA	NA
6.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	AGRJ10780A; 05/01/2012	
7.	DIC Registration	District Industries Centre, Mathura	No. 1373 dated November 14, 2011	November 13, 2013
8.	Provident Fund Registration	Sub-Regional Office, Employees Provident Fund Organization, Agra	EPF\SRO\Agra\ENF\UP5470 7 dated NA	NA
9.	ESI Registration	Regional Office, Employees State Insurance Corporation, Kanpur	Code No. 21000502520001304 dated January 19, 2012	NA
8.	U.P. VAT Taxpayer's Identification Number (TIN)	Department of Commercial Taxes, Government of U.P.	No. 09827107172; Dated September 07, 2011	Till the business discontinued
9.	Service Tax Registration	Superintendent Service	No. AACCCJ5999ESD002	NA

	for Maintenance and Repairs Services	Tax	dated March 15, 2012	
10.	Registration under Uttar Pradesh Shops & Commercial Establishments Act, 1962	Labour Commissioner Organization, U.P.	No. UPS235001000404; Dated December 27, 2011	March 31, 2016
11.	ISO 9001:2008 Certificate of Quality Management System Standard	P.C Management System Pvt. Ltd.	No. PCMS/QMS/2749-2011 August 19, 2011	August 18, 2014

Application made for grant of Approvals

Trademark – Pending Applications

Our Company has made an application dated July 27, 2011 for registration of three (3) Trademarks "GuruSeva", "Shiklo.in" and "JOINTECA" with the Trademarks Registry, New Delhi and has not yet received the certificate of Registration for the Trademark.

Sr. No.	Trade Mark Name	Acknowledgement No. & Date	Class	Trade Mark Description
1	GuruSeva	02181419 dated July 27, 2011	42	Scientific & Technological Services
2	Shiklo.in	02181420 dated July 27, 2011	42	Scientific & Technological Services
3	Jointeca (with Logo)	02181421 dated July 27, 2011	42	Scientific & Technological Services

Copyright – Pending Applications

Our Company has made an application dated December 27, 2011 for registration of Copyright "GURUSEVA" with the Government of India, Ministry of Human Resource Development, Department of Secondary Education & Higher Education Copyright Office, New Delhi.

Sr. No.	Copyright	Diary No. & Date
1	GURUSEVA	15362/2011-col dated December 27, 2011

ENVIRONMENTAL CLEARANCES

The Company is not engaged in the business of running industrial unit/ factory, or any other activity making emission of any industrial hazard. Accordingly environment clearance, Pollution NOC etc. is not applicable.

APPROVAL OF THE ISSUE

The Board of Directors has pursuant to resolutions passed at its meeting held on November 11, 2011 approved this issue.

The Shareholders of our Company pursuant to a resolution dated December 14, 2011 authorized the issue

SECTION VIII – REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The issue of Equity Shares in the Issue by the Company has been authorized by the resolution of the Board of Directors passed at their meeting held on November 11, 2011, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 81(1A) of the Companies Act. The shareholders have authorized the Issue by a special resolution in accordance with Section 81(1A) of the Companies Act, 1956 passed at the Extraordinary general meeting of the Company held on December 14, 2011 at Mathura, Uttar Pradesh.

Prohibition by SEBI, RBI or Governmental authority

Our Company, our Directors, our Promoters and the Promoter Group or the person(s) in control of our Company have not been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority. The listing of any securities of our Company has never been refused at any time by any of the Stock Exchanges in India.

The companies, with which the Promoters, Directors or persons in control of our Company is/are or was/were associated as Promoters, Directors or persons in control, have not been prohibited from accessing or operating in capital market under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority.

Further, none of our Directors were directors of any Company when the shares of the said Company were suspended from trading by Stock Exchange(s) for more than three (3) months during last five (5) years or delisted.

None of the Directors are associated in any manner with any entities, which are engaged in securities market related business and are registered with the SEBI for the same. Our Company, our Directors, our Promoters, the relatives of the Promoters (as defined under the Companies Act) and our Group Entities have not been identified as wilful defaulters by RBI or any other government authorities and there are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations. Our company is eligible for the Issue in accordance with Regulation 106(M)(1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an issuer whose post issue paid up capital is less than 10 Crores and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE").

We confirm that:

a) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the Total Issue Size. *For further details pertaining to said underwriting please refer to "General Information" on page no. 32 Of this Draft Prospectus.*

b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall,

on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 73 of the Companies Act.

c) In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. *For further details of the arrangement of market making please refer to "General Information" on page no. 32 of this Draft Prospectus.*

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 19, 2012, which states as follows:

1. Net Tangible assets of at least ₹. 1 Crore as per the latest audited financial results.
2. Net worth (excluding revaluation reserves) of at least ₹.1 crore as per the latest audited financial results.
3. Track record of distributable profits in terms of sec. 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the networth shall be at least ₹. 3 crores.
4. The post-issue paid up capital of the company shall be at least ₹. 1 crores.
5. The company shall mandatory facilitate trading in demat securities and enter into an agreement with both the depositories.
6. Companies shall mandatory have a website.
7. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
8. There is no winding up petition against the Company that has been accepted by a Court.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR 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, AJCON GLOBAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, AJCON GLOBAL SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [•] WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALIZATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. 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 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 PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT 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. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF 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.**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12.WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE 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.

13.WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

14.WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

15.WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16.FOR DETAILS REGARDING THE TRACK RECORD OF THE LEAD MANAGER TO THE ISSUE, PLEASE REFER TO THE WEBSITE OF THE LEAD MANAGER:
<http://ajcononline.com/merchantbank.asp>

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Disclaimer from the Company, the Directors and the LM

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated June 15, 2012, the Underwriting Agreement dated [•], 2012 entered into among the Underwriters and our Company and the Market Making Agreement dated [•], 2012 entered into among the Market Maker(s), Lead Manager and our Company.

All information shall be made available by us and the Lead Manager 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 or at collection centres or elsewhere.

Note

Investors who apply 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 offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the 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), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mathura 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. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any 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.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of the SME Platform of BSE

As required, a copy of the Draft Prospectus has been submitted to the SME Platform of BSE. The disclaimer clause as intimated by SME Platform of BSE to our Company, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the RoC filing.

Filing

A copy of this Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Reg. 106(M) (3). However, a copy of the Prospectus shall be filed with SEBI at the Corporate Finance Department, Plot No. C-4A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.

A copy of the Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, will be delivered to the RoC situated at 10/499-B, Allenganj, Khalasi Line, Kanpur, U.P. - 208 002, India.

Listing

Application shall been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

The SME Platform of BSE has given its in-principal approval for listing our shares vide its letter dated [●].

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the SME Platform of BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at the rate of 15% *per annum* on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within twelve (12) Working Days of the Issue Closing Date.

Impersonation

Attention of the applicants is specifically drawn to the provisions of Sub-Section (1) of Section 68A of the Companies Act which is reproduced below:

"Any person who-

(a) makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or

(b) Otherwise induces a Company to allot or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years."

Consents

Necessary consents for the Issue have been obtained from the following:

1. Promoters of our Company
2. Directors of our Company
3. Bankers to our Company
4. Auditors to our Company
5. Lead Manager to the Issue
6. Legal Advisor to the Issue
7. Registrar to the Issue
8. Syndicate Member(s)
9. Company Secretary & Compliance Officer
10. Bankers to the Issue
11. Underwriter(s) to the Issue

**Consents from the Bankers to the Issue, Underwriter(s) to the Issue and Syndicate Member(s) shall be obtained prior to the filing of the Prospectus with the RoC. Other consents mentioned herein above have been obtained prior to filing of this Draft Prospectus with the BSE.*

M/s. J.P. Associates, Chartered Accountants, who are subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI, have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consents and reports have not been withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

** The aforesaid will be appointed prior to filing of the Prospectus with the RoC and their consents as above would be obtained prior to the filing of the Prospectus with the RoC.*

M/s. J.P. Associates, Chartered Accountants have given their written consent to the Statement of Tax Benefits accruing to our Company and its members in the form and context in which it appears in the Draft Prospectus and will not withdraw such consent upto the time of delivery of the Draft Prospectus.

Expert Opinion

Except the Statement of Tax Benefits and Auditors Report dated March 31, 2012 annexed herewith, and except as stated elsewhere in the Draft Prospectus, our Company has not obtained any expert opinions as per the Companies Act 1956.

Expenses of the Issue

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSBs' commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, Registrar and Depository fees and listing fees is given below:

Sr. No.	Activity Expense	Amount (₹ in Lacs)	Percentage of Total Estimated Issue Expenditure	Percentage of Total Issue Size
6.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such Bankers etc and other out of pocket expenses, if any.	45.00	64.75%	8.42%
7.	Legal Fees	5.00	7.19%	.94%
8.	Printing & Stationery and Postage Expenses	6.00	8.63%	1.12%
9.	Marketing and Advertisement Expenses	6.00	8.63%	1.12%
10.	Regulatory fees and RTA expenses	4.50	6.47%	.84%
6	Other expenses	3.00	4.32%	.56%
	Total	69.50	100%	13%

All expenses with respect to the Issue will be borne by the Company.

Fees, Brokerage and Selling Commission payable to the Lead Manager

The total fees payable to the LM, Ajcon Global Services Limited, including underwriting & selling commission, if any, for the Issue will be as per the Memorandum of Understanding executed between our Company and the LM dated June 15, 2012 and the Market Making Agreement dated [●] among the Company and the Lead Manager and other parties, a copy of which is available for inspection at our Registered Office.

Fees payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, Beetal Financial and Computer Services Private Limited, will be as per the Memorandum of Understanding executed between our Company and the Registrar dated December 16 2012 a copy of which is available for inspection at our Registered Office and forms part of Material Contracts & Documents.

Adequate funds will be provided to the Registrar to the Issue to enable it to make refunds in any of the modes described in this Draft Prospectus or send allotment advice by registered post / speed post / under certificate of posting.

Previous public or rights issues

Our Company has not made any public or rights issue since its inception.

Previous issue of Equity Shares otherwise than for cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash, except as disclosed in the section titled "*Capital Structure*" on Page no. 38 of the Draft Prospectus.

Underwriting Commission and Brokerage on Previous Issues

No sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any capital issue since inception

Neither our Company nor any other Company under the same management within the meaning of Section 370(1B) of the Companies Act is listed on any of the Stock Exchanges and has not made any capital issue since incorporation.

Promise vs. Performance – Previous Issues of our Company and our Group/ Subsidiary/ Associate Companies

Our Company has not made any Public Issue of Equity Shares since its incorporation. None of our Group/ Subsidiary/ Associate Companies has made any public issues in the past.

Outstanding debentures or bond issues

As on the date of filing the Draft Prospectus, our Company does not have any outstanding debentures and has not made any bond issue.

Outstanding Preference Shares

As on the date of filing the Draft Prospectus, our Company does not have any outstanding preference shares.

Stock Market Data

This being the first public issue by our Company, no stock market data is available.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and the Company will provide for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch 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 Registrar to the Issue with a copy to the relevant/ appropriate SCSB, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the ASBA applicants.

Disposal of Investor's Grievances and Redressal Mechanism

We have appointed Beetal Financial and Computer Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with our Compliance officer. All grievances relating to the present issue may be addressed to the Registrar with a copy to the Compliance officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and bank and Branch. We will monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

A fortnightly status report of the complaints received and redressed by the Registrar to the Issue would be forwarded to us. We would also coordinate with the Registrar to the Issue in attending to the investors' grievances.

We assure that any complaints received, shall be disposed off as per the following schedule:

Sr. No.	Nature of the Complaint	Time taken
1	Non-receipt of the refund	Within 7 days of receipt of complaint, subject to production of satisfactory evidence.
2	Change of Address	Within 7 days of receipt of information.
3	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details.

Our Company has appointed Ms. Tulsi Sharma, the Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. He can be contacted at the following address:

Ms. Tulsi Sharma

Company Secretary and Compliance Officer

1014, Bagh Bahadur Chowki Colony,
Near SBI Crossing,
Mathura - 281 001, Uttar Pradesh, India

Tel: +91-0565-600 0801

E-mail: tulsisharma@jointeca.com

Investors can also contact the Registrar to the Issue for redressal of any complaints at the following address:

Beetal Financial and Computer Services Private limited

BEETAL HOUSE, 3rd Floor,
99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi - 110 062

Tel.: +91-11-2996 1281-83

Fax: +91-11-2996 1284

E-mail: jes@beetalfinancial.com

Website: www.beetalfinancial.com

SEBI Regn. No.: INR 000000262

Contact Person: Mr. Puneet Mittal

Changes in the Auditors during last three (3) years and reasons thereof

There have been no changes in our auditors in the last three (3) years.

Capitalization of Reserves or Profits

The details regarding capitalization of reserves are enumerated in the Section titled "*Capital Structure*" beginning on page no. 38 of this Draft Prospectus. Other than as mentioned therein, we have not capitalized any of our reserves or profits.

Revaluation of assets during the last five (5) years

Our Company has not revalued its assets since incorporation.

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 this Draft Prospectus, the Prospectus, 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, BSE SME Exchange, Registrar of Companies, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of our Memorandum and Articles of Association 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. 192 of this Draft Prospectus.

Mode of Payment of Dividend

We shall pay dividend to our Shareholders as per the provisions of the Companies Act and our Articles of Association. The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash and as per provisions of the Companies Act, 1956.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ 15/- per Equity Share. The Company in consultation with the Lead Manager believes that the Issue price of ₹ 15/- per Equity Share i.e Equity Shares of the Face Value of ₹ 10/- each at a premium of ₹ 5/- per Share for the Public Issue is justified in view of the above parameters.

At any given point of time, there shall be only one denomination for the Equity Shares.

Rights of the Equity Shareholders

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, 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 Exchange, and our Company's Memorandum and Articles.

For a detailed description of the Main Provisions of our Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "*Main Provisions of the Articles of Association*" on page no. 192 of this Draft Prospectus.

Minimum Application Value, Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, 2009, the trading of our Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity shares will happen in the minimum contract size of 8,000 Equity shares and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity shares through this offer shall be done in multiples of 8,000 Equity Shares subject to a minimum allotment of 8,000 Equity Shares to the successful applicants.

Minimum Number of Allottees

The Minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the moneys collected shall be refunded within 15 days of closure of the issue.

Joint Holders

Where two or more persons are registered as holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Applicant, along with other joint applicants, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicants, death of all the applicants, 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 dematerialized form, there is no need to make a separate nomination with us. Nominations registered with respective Depository Participant of the applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

The Issue is not restricted to any minimum subscription level. The Issue is 100% underwritten.

If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of the closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 73 of the Companies Act, 1956.

Arrangement for disposal of odd lots

The trading of the Equity shares will happen in the minimum contract size of 8,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

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 titled "*Capital Structure*" on page no. 38 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. For further details, see "*Main Provisions of our Articles of Association*" on page no. 192 of this Draft Prospectus.

Option to Receive Equity Shares in Dematerialized Form

Investors should note that allotment of Equity Shares to all successful applicants will only be in the dematerialized form. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

Our Company may migrate to the main board of BSE from the SME Platform on a later date subject to the following:

- a) If the Paid up capital of the Company is likely to increase above ₹. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through the postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by the shareholders other than the promoter shareholders against the proposal and for which the Company has obtained in-principle approval from the Main Board), we

shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up capital of the Company is more than ₹. 10 crores but below ₹. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than the promoter shareholders against the proposal.

Market Making Process

The shares offered through this issue are proposed to be listed on the SME Platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into among the Company, the Lead Manager and the Market Maker please refer to “General Information” on page no. 32 of this Draft Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this issue.

Withdrawal of the Issue

The Company in consultation with LM reserves the right not to proceed with the issue at any time before the issue opening date, without assign any reason thereof. Notwithstanding the foregoing, the issue is also subject to obtaining the following:

- (1) The final listing and trading approvals of BSE for listing of equity shares offered through this issue on its SME Platform, Which the Company shall apply allotment and
- (2) The final ROC approval of the Draft Prospectus after it is filed with the ROC. In case, the Company wishes to withdraw the issue after issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mathura, Uttar Pradesh, India.

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, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue Face value paid up capital is more than 10 crores and upto 25 crores, may issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer to the chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page no. 167 and 173 of this Draft Prospectus.

Following is the Issue Structure of the Company:

Public issue of 35,68,700 equity shares of ₹ 10/- each (the "equity shares") for cash at a price of ₹ 15/- per equity share (including a share premium of ₹ 5/- per equity share) aggregating to ₹ 535.30 lacs ("the issue") by Jointeca Education Solutions Limited ("JESL" or the "Company" or the "Issuer").

The issue comprises a Net Offer to the Public of 32,08,700 equity shares ("the Net issue") and a reservation of 360000 equity shares for subscription by the designated market maker ("the Market Maker Reservation Portion").

Particulars of the Issue	Net Offer to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	32,08,700	360000
Percentage of Issue size available for allocation	89.91% of the Issue Size	10.09% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 8,000 equity shares and further allotment in multiples of 8,000 equity shares each For further details please refer to " <i>Issue Procedure – Basis of Allotment</i> " on page no. 179 of this Draft Prospectus	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process only
Minimum Application Size	For QIB & NII: Such number of Equity shares in multiples of 8,000 Equity shares such that the application value exceeds ₹ 2,00,000 For Retail Individuals: 8,000 Equity Shares	
Maximum Application Size	For QIB & NII:	

	Such number of Equity shares in multiples of 8,000 Equity shares such that the application size does not exceed 32,08,700 Equity Shares For Retail Individuals: Such number of Equity shares in multiples of 8,000 Equity Shares such that the Application value does not exceed ₹ 2,00,000	
Mode of Allotment	Dematerialized form or Physical form, at the option of the applicant	Dematerialized form or Physical form, at the option of the applicant
Trading Lot	8,000 Equity Shares	8,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009
Terms of Payment	The entire application amount will be payable at the time of submission of the Application Form	

* 50 % of the shares offered are reserved for allocation to applications below or equal to ₹ 2 lacs and the balance for higher amount applications.

Withdrawal of the Issue

Our Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before Allotment. If our Company withdraws the Issue, our Company will issue a public notice within two days, providing reasons for not proceeding with the Issue. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh draft offer document with the Stock Exchange where the Equity Shares may be proposed to be listed.

ISSUE OPENING DATE	[●]
ISSUE CLOSEING DATE	[●]

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through this Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to them the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Draft Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for ASBA Applicants to the SCSB, the ASBA Applicant is deemed to have authorized our Company to make the necessary changes in the Draft Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Applicant.

The prescribed color of the Application Form for various categories is as follows:

Category	Color
Indian Public / NRI's applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents including eligible NRI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Pink

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who can apply?

1. Indian nationals resident in India who are not minors in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;

5. 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;
6. Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, cooperative banks (subject to RBI regulations and the SEBI Regulations, as applicable);
7. FIIs registered with SEBI;
8. Venture Capital Funds registered with SEBI;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or industrial research organizations authorized to invest in equity shares;
12. Insurance Companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;
14. Pension Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;
15. Foreign Venture Capital Investors registered with SEBI;
16. Multilateral and bilateral development financial institutions;
17. National Investment Fund; and

Applications not to be made by:

1. Minors
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

Participation by Associates of LMs

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Issue in any manner. However, associates and affiliates of the LMs may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Availability of Prospectus and Application Forms

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centers of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com.

Option to Subscribe in the Issue

- a) Investors will have the option of getting the allotment of specified securities either in physical form or in dematerialization form.
- b) The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs/FII's on Repatriation Basis

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

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 1,00,00,000 Equity Shares). In respect of an FII investing in our equity shares on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, 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 the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favor of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 8000 Equity Shares and in multiples of 8,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 8000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them

by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application 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 Prospectus.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹ 25 crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the LMs may deem fit.

Information for the Applicants:

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The LMs will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our registered office or from the corporate office of the LMs.
- d) Applicants who are interested in subscribing for the Equity Shares should approach the LMs or their authorized agent(s) to register their Applications.
- e) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- f) Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no. in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mathura.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants 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/ credit of refunds to Applicants at the Applicants sole risk and neither the LMs or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have

any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 8,000 equity shares the allotment will be made as follows:
 1. Each successful applicant shall be allotted 8,000 equity shares; and
 2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 8,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 8,000 equity shares subject to a minimum allotment of 8,000 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 8000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below.
 1. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 2. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

3. The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director / Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

REFUNDS:

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the LMs shall be liable to compensate the Applicant for any losses caused to the Applicant 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 three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants 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 Applicants 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 Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

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

There is no reservation for Non-Residents, NRIs, FIIs and foreign venture capital funds and all Non-Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

TERMS OF PAYMENT / PAYMENT INSTRUCTIONS

The entire issue price of ₹ 15 per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

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 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.

A separate Cheque or Bank Draft should accompany each application form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

- 1. The payment instruments for payment into the Escrow Account should be drawn in favour of:**
 - **Indian Public including eligible NRIs applying on non-repatriation basis: "Jointeca Education Solutions Limited -Public Issue - R".**
 - **In case of Non-Resident Retail Applicants applying on repatriation basis: "Jointeca Education Solutions Limited -Public Issue – NR".**
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized 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 Applicant applying 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.
3. Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
4. On the Designated Date and no later than 15 days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

Payment by Stock invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill up the Application Form such that the Equity Shares applied 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;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if

matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

2. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
3. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LMs may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of The Issue;
- Applications for number of Equity Shares which are not in multiples of 8,000;
- Category not ticked;

- Multiple Applications as defined in this Draft Prospectus
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 5.00 pm on the Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

a) Makes in a fictitious name, an application to a Company for acquiring or subscribing for, any shares therein,

or

(b) Otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years."

Signing of Underwriting Agreement

Vide an Underwriting agreement dated [●] this issue is 100% Underwritten

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56 and Section 60 of the Companies Act.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Regional newspaper with wide circulation.

Designated Date and Allotment of Equity Shares

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 12 days of the Issue Closing Date.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within three months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 113 of the Companies Act, 1956 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates.

After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the allottees shall be within two working days of the date of Allotment.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 days of closure of Issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as Refund Banker and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

PAYMENT OF REFUND

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Applicants 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 Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the LMs shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

- 1. NECS (National Electronic Clearing System) -. Payment of refund would be done through NECS for applicants having an account at any of the centres where such facility has been made available specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.**
- 2) Direct Credit - Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.**
- 3) RTGS (Real Time Gross Settlement) - Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds ` 2.00 lakhs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the application Form. In the event the same is not provided, refund shall be made through NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.**
- 4) NEFT (National Electronic Fund Transfer) - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.**
- 5) For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.**

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants 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 Exchange 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 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within

15 days of Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment of Equity Shares shall be made within 12 (twelve) days of the Issue Closing Date;
- 2) Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (fifteen) days of the Issue Closing Date would be ensured; and
- 3) The Company shall pay interest at 15% p.a. for any delay beyond the 12 (twelve) days time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (fifteen) days time.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by us expeditiously;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within seven working days of finalization of the basis of Allotment;
3. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the 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;
5. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time; and
6. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
7. The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
8. 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.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- 1) 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;**
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;**
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and**
- 4) Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.**

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the LMs reserves the right not to proceed with the Issue at anytime, including after the Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, QIB Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- 1) Agreement dated 27th February 2012 between NSDL, the Company and the Registrar to the Issue;**
- 2) Agreement dated 14th February 2012 between CDSL, the Company and the Registrar to the Issue;**

The Company's shares bear an ISIN No. INE131N01018.

- An Applicant 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 Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

- Names in the 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.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis a vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

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

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA

Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LMs. ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment limit is allowed up to 100% under automatic route in our Company.

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs 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.

Transfers of equity shares previously required the prior approval of the FIPB. However, vide a RBI circular dated October 4, 2004 issued by the RBI, 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 foreign direct investment (FDI) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy, and (iii) the pricing is in accordance with the regulations / 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 US Securities Act of 1933 (*the "Securities Act"*) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to "*qualified institutional buyers*", as defined in Rule 144A of the Securities Act in transactions exempt from the registration requirements of the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulations 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 Applications 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 Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

SECTION X: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

3. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in clause V of Memorandum of Association with power to subdivide consolidate and increase and with power from time to time, to issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be, thought fit, and upon the subdivision of shares to apportion the right to participate in profits, in any manner as between the shares resulting from subdivision.
4. The Company shall have power to issue Preference Shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for purpose of such redemption, or liable to be redeemed at the option of the Company, and the Board may subject to the provisions of Section 80 of the Act exercise such power in such manner as it thinks fit.
5. (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares then:
 - a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
 - b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer if not accepted, will be deemed to have been declined.
 - c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub clause (b) shall contain a statement of this right;
 - d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner as they may think most beneficial to the Company.

(2) Notwithstanding anything contained in sub-clause (1), the further shares aforesaid may be offered to any persons (Whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.

 - a) If a special resolution to that effect is passed by the Company in General Meeting, or
 - b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

(3) Nothing in sub-clause (c) of (1) hereof shall be deemed;

- a) To extend the time within which the offer should be accepted; or
- b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

- (i) To convert such debentures or loans into shares in the Company; or
- (ii) To subscribe for shares in the Company.

Provided that the terms of Issue of such debentures or the terms of such loans include a term providing for such option and such term:

a) Either has been approved by the Central Government before the Issue of the debentures or the raising of the loans or is in conformity with Rules, if any made by that Government in this behalf; and

b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the Issue of the debentures or raising of the loans.

6. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may Issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so, issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
7. Subject to the provisions of the Act it shall be lawful for the Company to issue at a discount, shares of a class already issued.
8. The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the powers of paying commission on the issue of shares debentures. The commission may be paid or satisfied in cash or shares, debentures or debentures stock of Company.
9. The Company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.
10. Subject to Section 187C of the Act, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by law required, be bound to recognize any trust, benami or equitable or other claim to or interest in such shares or any fractional part of a share whether or not it shall have express or other notice thereof.

CERTIFICATE

11. The certificate to title to shares shall be issued under the seal of the Company.
12. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of Issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be borne to Issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.
13. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and 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 Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

JOINT-HOLDERS OF SHARES

14. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to provisions following and to the other provisions of these articles relating to joint holders;
 - a) The Company shall not be bound to register more than three persons as the joint holder of any shares.
 - b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments which out to be made in respect of such shares.
 - c) On the death of any one of such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to or interest in such share but the board may deem require such evidence of death as it may deem fit.
 - d) Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share.

CALLS

15. The Directors may from time to time, subject to the terms on which any shares may have been issued, make such calls as they think fit. Upon the member in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereto made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointment by the Directors. A call may be made payable by installments.
16. That the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.
17. Not less than 30 (Thirty) days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
18. If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price or installment thereof shall be payable as if it was a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price or installments accordingly.
19. If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or installment shall be due, shall pay interest for the same at the rate of 12 (twelve) percent per annum, from the day appointed for the payment thereof to the actual payment or at such other rate as the Directors may determine but they shall have power to waive the payment thereof wholly or part.
20. On the trial or hearing of any action or suit brought by the Company against any member or representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any

other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

21. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

FORFEITURE AND LIEN

22. If any member fail to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, that may have been incurred by the Company by reasons of such non-payment.
23. The notice shall name a day (not being less than 30(thirty) days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
24. If the requirement of any such notice as aforesaid be not complied with, any shares in respect which such notice has been given may, at any time, thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency 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 share as herein provided.
25. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

26. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose off the same in such manner as they think fit.
27. The Director may, at any time before any share so forfeited shall not be sold, re-allotted or otherwise disposed off, annual the forfeiture thereof upon such conditions as they think fit.
28. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and the expenses, owing upon or in respect of such shares, at the time of installments, interest and the forfeiture together with interest thereupon, from the time of the forfeiture until payment at 12 (Twelve) percent per annum or such other rate as the Directors may determine and the Directors may enforce the payment thereof without any deduction or allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.
29. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against in the Company in respect of the share and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.
30. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a written title to such shares.
31. The Company shall have a first and paramount lien upon all the shares /debentures (other than fully paid-up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares / debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares / debentures. Unless otherwise agreed, the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any, on such shares / debentures. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this clause.

Provided that the fully paid shares shall be free from all lien and that in the case of party paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
32. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
33. Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors may issue new certificate in lieu of certificate not so delivered.

34. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and the statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

TRANSFER AND TRANSMISSION OF SHARES

35. Subject to the provisions of Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company together with the certificate or certificates of the shares, or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of transferees and the transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof.
36. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Act, and subject to the provisions of Articles hereof, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt the notice enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for the registration was made by the transferee.
37. Before registering any transfer tendered for registration, the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.
38. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particular of every transfer of any share.
39. Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of 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 when the Company has a lien on the shares.

Transfer of shares/debentures in whatever lot shall not be refused.

40. a) No transfer shall be made to a minor or a person of unsound mind.
b) No fee shall be charged for registration of transfer, transmission, probate, Succession Certificate and letter of administration, certificate of death or marriage, power of Attorney or similar other instruments.

41. All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instruments of transfer shall be returned to the person who lodges the transfer deeds.
42. If the Directors refuse to register the transfer of any shares, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given send to the transferor and the transferee or the person giving intimation of such transfer, notice of such refusal.
43. On giving seven day's notice by advertisement in a news paper circulating in the district in which the office of the Company is situated, the Register of members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.
44. The executors or administrator or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such member and, in case of death of any one or more of the joint holders of any registered shares the survivors shall be only persons recognized by the Company as having any title to interest in such shares 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. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtained a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable.
45. Any person becoming entitled to or to transfer shares in consequences of the death or insolvency of any member, 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 Director think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as "The Transmission Article". Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect of the share himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute an instrument of transfer of shares. All the limitations, restrictions and provisions of these articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.
46. Subject to any other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to share in consequences of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.

47. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and the statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The instruments of transfer shall be in the form prescribed by the Act or the Rules made there under or where no such form is prescribed in the usual common form or any other form approved by the Stock Exchange in India or as near thereto as circumstances will admit.
48. (i) Every holder of shares or debentures or fixed deposits of the Company will have freedom to nominate at any time a person to whom his shares/ debentures/ fixed deposits shall vest in the event of his/her death.
- (ii) Where the shares/ debentures/ fixed deposits are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures or fixed deposits of the Company, as the case may be, shall vest in the event of death of all the joint holders.
- (iii) Notwithstanding, anything contained in any other law for the time being in force, in respect of such shares or debentures or fixed deposits of the Company, where a nomination made in the prescribed purports to confer on any person the right to vest in the shares or debentures or fixed deposits of the Company, the nominee shall on the death of the holder of securities mentioned above, or as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or fixed deposits, or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) Any person who becomes nominee as aforesaid and becomes entitled to shares/ debentures/ deposits on the death of the registered holder, such nominee upon the production of such evidence as may be required by the Board of Directors of the Company, elect either to be registered as holder of the shares or debenture or Deposits or to make such transfer of the shares or debentures as the deceased shareholder or debenture holder could have made.
- (v) The Board of Directors of the Company shall in either case have the same right to decline or to suspend registration, as it would have had if the deceased shareholder or debenture holder had transferred the shares or debentures before his death.
- (vi) Where nominee is a minor it shall be lawful for the holder of the share or holder of debentures/fixed deposits to make the nomination to appoint in the prescribed manner any person to become entitled to shares in or debentures or deposits of the Company in the event of his death during the minority.

49. (i) **Dematerialization of Securities**

Notwithstanding any thing contained in these Articles, the Company shall be entitled to dematerialize its existing securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for issue in dematerialized form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares both in material and dematerialized form in any media as permitted by law including any form of electronic media.

(ii) **Issue of Securities and Option for Investors**

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 security in the 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 the security with a depository, and on the receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.

(iii) **Securities in Depository mode 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.

(iv) **Rights of Depositories and Beneficial Owners**

- (a) Notwithstanding anything to the contrary contained in the act or these articles a depository shall be deemed to be the registered owner of the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in [a] above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Service of Documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(vi) Transfer of Securities

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of who are entered as beneficial owners in the records of a depository.

(vii) Allotment of Securities dealt with a Depository

Notwithstanding anything in the Act or these Articles, where a depository deals with securities, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(viii) Distinctive numbers of Securities held in a Depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

(ix) 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 a Register and Index of members and other security holders.

SHARES WARRANTS

50. Subject to the provisions of Sections 114 and 115 of the Act and subject to any directions which may be given by the Company in General Meeting, the Board may issue share-warrants in such manner and on such terms and conditions as the Board may deem fit. In case of such issue Regulations 40 to 43 of Table "A" in Schedule I of the Act, shall apply.

STOCKS

51. The Company may exercise the power of conversion of its shares into stock and in the case regulations 37 to 39 of Table "A" in Schedule I to the Act shall apply.

ALTERATION OF CAPITAL

52. The Company may, by ordinary resolution from time to time, after the condition of Memorandum of Association as follow: -
- a) Increase in the Share Capital by such amount to be divided in to shares of such amount as may be specified in the resolution.

- b) Consolidate and divide all or any of its share capital into shares or larger amount than its existing shares.
- c) Sub divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, so however, that in the subdivision the proportion between the amount paid and the amount, if any unpaid on each reduced shares shall be the same as it was in the share from which the reduced share is derived, and
- d) Cancel any shares, which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

53. Subject to the provisions of Sections 100 to 104 of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

MODIFICATION OF RIGHT

54. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be carried with 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 provision of these Articles, relating to general meeting shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of the class but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members who are present shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll, and on a poll shall have one vote for each shares of the class of which he is the holder. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar of Companies.

BORROWING POWERS

55. The Board may from time to time and at its discretion, subject to the provisions of Section 58A, 292 and 293 of the Act, and Regulations made thereunder and Directions issued by RBI raise or borrow, either from the Directors or from elsewhere and secure the payment of any sums or sum of money for the purpose of the Company.
56. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. Any debentures-debenture stock bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

57. If the Board refuses to register the transfer of any debentures, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

RESERVES

58. Subject to the provision of the Act, the board shall in accordance with Section 205 (2A) of the act, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at its discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company as the Board may from time to time think fit). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.
59. Any General Meeting may resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalized and distributed amongst such of the members 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 amount be applied on behalf of such members in paying up in full any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such member in full satisfaction of their interest in the said capitalized amount. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purposes of this Article only be applied in paying up of unissued shares to be issued to members of the Company as fully-paid bonus shares.
60. For the purpose of giving effect to any resolution under last two preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate.

GENERAL MEETING

61. The Directors may, whenever they think fit, call an Extra Ordinary General Meeting provided however it at any time there are not in India, Directors capable of acting who are sufficient in number to form a quorum any Director present in India may call an Extra ordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.
62. The Board of Directors of the Company shall on the requisition of such member or member of the Company as is specified in subsection (4) of Section 169 of the Act forthwith proceed to call an Extra ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the provisions of section 169 of the Act and of any statutory modification thereof for the time being shall apply.
63. The quorum for a general meeting shall be five members present in person.
64. At every General Meeting, the Chair shall be taken by the Chairman of the Board of Directors. If at any meeting, the Chairman of the Board of Directors be not present within fifteen minutes after the time appointed for holding the meeting or, though present be unwilling to act as chairman, the members present shall choose one of the Directors present

to be Chairman or if no Director shall be present or though present shall be unwilling to take the Chair then members present shall choose one of their members, being a member entitled to vote, to be Chairman.

65. Any act or resolution which, under the provisions of this Article or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or the articles specifically require such act to be done or resolution passed by a special resolution.
66. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of share holders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at same time and place, unless the same shall be public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.
67. In the case of an equality of votes the Chairman shall both on a show of hand and a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.
68. The Chairman of a General Meeting may adjourn the same, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place, It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.
69. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded

VOTES OF MEMBERS

70. (1) On a show of hands every member present in person and being a holder of Equity shares shall have one vote and every person present either as a proxy on behalf of a holder of Equity Shares or as a duly authorized representative of a body corporate being a holder of Equity Shares, if he is not entitled to vote in his own right, shall have one vote.
 - (2) On a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.
 - (3) The voting rights of the holders of the Preference Shares including the Redeemable Cumulative Preference Shares shall be in accordance with the provisions of section 87 of the Act.
 - (4) No Company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.
71. A person becoming entitled to a share shall not before being registered as member in respect of the share be entitled to exercise in respect thereof any right conferred by membership in relation to the meeting of the Company.

If any member be a lunatic or idiot, he may vote whether on a show of hands or at a poll by his committee or other legal curator and such last mentioned persons may give their votes by proxy provided twenty four hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote he shall satisfy the Board of his rights under this Article unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

72. Where there are joint holders of any share 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 either personally or by proxy then that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.
73. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorized in writing or if such appointer is a corporation under its common seal or the hands of its Attorney.
74. The instrument appointing a proxy and the Power-of-Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of authority shall be deposited at the office not less 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.
75. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given. Provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
76. Every instrument appointing a proxy shall as nearly as circumstances will admit be in the form set out in Schedule IX to the Act.
77. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.
78. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and fulfilling the requirements as laid down in Section 179 of the Act, for the time being in force.
79. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and exercised any right or lien.

DIRECTORS GENERAL PROVISIONS

80. The number of Directors shall not be less than three and not more than twelve.
81. The following shall be the First Directors of the Company :
- Vishal Mishra
Alok Mittal
82. The Directors shall have power, at any time and from time to time, to appoint any person as Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any director so appointed shall hold office only until the next Annual General Meeting of the Company and shall be eligible for re-election
83. Director shall not required to hold any share qualification.
84. The sitting fees payable to a Director for attending a meeting of the Board or a Committee of the Board or a general meeting shall be regulated as per the provisions of Section 310 of the Schedule XIII thereof.
85. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum number above fixed, the Directors shall not except for the purpose of filling vacancies or of summoning a General Meeting act so long as the number is below the minimum.
86. Subject to the provisions of Section 297, 299, 309 and 314 of the Act, the Directors (including Managing Director) shall not be disqualified by reasons of his their office as such, from holding office under the Company or from contracting with the Company either as vendor, purchaser, tender, agent, broker, lessor or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with a relative of such Directors or the Managing Director or with any firm in which any Director or a relative shall be a partner or with any other partner or with a private Company in which such Director is a member or director interested be avoided nor shall any Director or otherwise so contracting or being such members or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

APPOINTMENT OF DIRECTORS

87. The Company in General Meeting may, subject to the provision of these Articles and the Act, at any time elect any person to be Director and may, from time to time increase or reduce the number of directors.
88. Any member of the Company shall be competent to propose the name of any person who is otherwise not disqualified as being a director of a Company, for the office of director in the Company and shall accordingly give a notice of atleast 14 days in writing alongwith a deposit of Rs.500/- (Rupees Five Hundered) or such sum as may for the time being be prescribed by the Act, which shall be refunded only after the person proposed to be appointed as director is elected.
89. If any Director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain

his office so long as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of the Director under Section 284 of the Act.

90. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. The Corporation, firm or person shall be entitled, from time to time, to remove any such Director or Directors and appoint another or others in his or their places. He shall be entitled to the same rights and privileges and be subject to the same obligation as any other Director of the Company.
91. (a) Notwithstanding anything the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), Unit Trust of India (UTI) and other Financial Institutions of Central or State Governments or to any other Corporation or Institution or to any other Financing Company or other Body out of any loans granted by them to the Company or so long as ISBI, ICICI, LIC, GIL, UTI, or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, and LIC, GIC, UTI or other Finance Corporation or Credit Corporation or any other financing Company or body is hereinafter in these Articles referred to as "the Corporation") continue to hold shares in the Company as a result of underwriting or direct subscription, the Corporation shall have a right to appoint from time to time any person or persons as a director or directors whole time or non-whole time, (which director or directors is/are hereinafter referred to as nominee director/s") on the board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- (b) The Board of directors of the Company shall have no power to remove from office the nominee director/s. At the option of the Corporation, such nominee director/s shall not be liable to retirement by rotation of directors. Subject as aforesaid, the nominee director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other director of the Company.
- (c) The nominee director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or as a result of underwriting or direct subscription and the nominee director/s so appointed in exercise of the said power shall ipso-facto vacate such office immediately after the moneys owing by the Company to the Corporation are paid off or the Corporation ceasing to hold shares in the Company.
- (d) The nominee director/s appointed under this Article shall be entitled to receive all notices of and attend all general meetings, board meetings and of the meetings of the committee of which the nominee director/s is/are member/s and also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (e) The Company shall pay to the nominee director/s sitting fees and expenses which the other directors of the Company are entitled to, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to the Company, the fees, commission, moneys and remuneration in relation to such nominee director/s shall accrue to the Corporation and the same shall accordingly be paid by Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such nominee director/s in connection with their appointment or directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such nominee director/s. Provided that if any such

nominees director/s is an officer of the Corporation the sitting fees, in relation to such nominee director/s shall also accrue to Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided also that in the event of the nominee director/s being appointed as wholetime director/s such nominee directors shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a wholetime director, in the management of the affairs of the Company. Such nominee director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

92. Subject to the provisions of section 313 of the Act, the Board may appoint any person to act as an alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director; shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly, but he shall ipso facto vacate office if and when the absent director returns to State in which meetings of the Board are ordinarily held or the absent Director vacates office as Director.

ROTATION OF DIRECTORS

93. (1) Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation.
- (2) At each Annual General Meeting of the Company, One-third of such of the Director for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
- (3) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those to retire shall, in default of and subject to any agreement among themselves be determined by lot.
- (4) Subject to the foregoing provisions as between Director or Directors who shall not be liable to retire by rotation shall be determined by and in accordance with their respective seniorities as may be determined by the Board.
94. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
95. Subject to any resolution for reducing the number of Director, if at any meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled up, the meeting shall stand adjourned till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting, the places of the retiring Directors are not filled up, the retiring Directors or such of them as have not had their places filled up shall (if willing to continue in office) be deemed to have been re-elected at the adjourned meeting.

PROCEEDINGS OF DIRECTORS

96. The Directors may meet, together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Notice in writing of every meeting of the Directors shall ordinarily be given by a Director or such other officer of the Company duly authorized in this behalf to every Director for the time being in India, and at his usual address in India to every other Director.

97. The quorum for a meeting of the Directors shall be determined, from time to time, in accordance with the provisions of section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Directors, it shall be adjourned until such date and time as the Directors present shall appoint.
98. The Secretary may at any time, and upon request of any two Directors shall, summon a meeting of the Directors.
99. Subject to the provisions of Sections 316, 372(5) and 386 of the Act, question arising at any meeting shall be decided by a majority of votes, each director having one vote and in case of any equality of votes, the Chairman shall have a second or casting vote.
100. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors. Provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, the Directors present shall choose one of their members to be Chairman of such meeting.
101. A meeting of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company and the act for the time being vested in or exercisable by the Directors generally.
102. The Directors may, subject to compliance of the provisions of the Act, from time to time, delegate any of their powers to committee(s) consisting of such member or members of their body as they think fit, and may, from time to time, revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under this Articles.
103. All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall be valid notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committee or person acting as aforesaid or that they or any of them were disqualified.
104. Except a resolution, which the Act, requires it specifically to be passed in a board meeting, a resolution may be passed by the Directors or Committee thereof by circulation in accordance with the provision of Section 289 of the Act.

Minutes of any meeting of Directors or of any Committee or of the Company if purporting to be signed by the Chairman of such meeting or by the Chairman of next succeeding meeting shall be receivable as prima facie evidence of the matters in such minutes.

POWERS OF DIRECTORS

105. Subject to the provisions of the Act, the control of the Company shall be vested in the Directors who shall be entitled to exercise all such powers and to do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly required or directed to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents, from time to time, made by the Company in General Meeting, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

106. Without prejudice to the general powers conferred by the preceding article the Directors may, from time to time, subject to the restrictions contained in the Act, delegate to managers, secretaries, officers, assistants and other employees or other persons (including any firm or body corporate) any of the powers authorized and discretions for the time being vested in the Directors.
107. The Directors may authorize any such delegate or attorney as aforesaid to sub delegate all or any of the powers, authorities and discretion for the time being vested in them.
108. All deeds, agreements and documents and all cheques, promissory notes, draft, hundies, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted or endorsed or otherwise executed, as the case may be by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Directors shall, from time to time, by resolution determine.
109. The Directors may make such arrangements as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local bodies and agents and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed therein shall be signed by such persons as the Directors shall, from time to time by writing under the common seal, appoint. The Company may also exercise the powers of keeping Foreign Registers. Such regulations not being in consistent with the provisions of Sections 157 and 158 of the Act, the Board may, from time to time, make such provisions as it may think fit relating thereto and may comply with the requirement of any local law.
110. A Manager or secretary may be appointed by the Directors on such terms, at such remuneration and upon such conditions as they may think fit, and any Manager or Secretary appointed may be removed by the Directors. Directors may be appointed as Manager or Secretary, subject to Sections 314, 197A, 383A, 387, and 388 of the Act.
111. A provision of the Act or these regulations requiring or authorising a thing to be done by a director, manager or secretary shall not be satisfied by its being done by the same person same person acting both as director and as, or in place of the manager or secretary.

MANAGING DIRECTORS

112. Subject to the provisions of Sections 197A, 296, 316 and 317 Schedule XIII of the Act, the board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of Company and may, from time to time, (subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office and appoint another or others in his place or their places.
113. Subject to the provisions of Section 255 of the Act, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, but he shall be counted for as curtaining the number of Directors to retire (Subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director for any cause.
114. Subject to the provisions of Sections 198, 309, 310, 311 and Schedule XIII of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.

115. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Sections 292 and 293 thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it think fit and the Board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

COMMENCEMENT OF BUSINESS

116. The Company shall not at any time commence any business out of other objects of its Memorandum of Association unless the provision of Section 149 of the Act have been duly complied with by it.

SEAL

117. The Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of the Directors or a Committee of the Directors previously given and one Director at least shall sign every instrument to which the seal is affixed provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

DIVIDENDS

118. Subject to Rights of members entitled to shares (if any) with preferential or special rights attached to them, the profits of the Company, from time to time determined to be distributed as dividend in respect of any year or other period shall be applied for payment of dividend on the shares in proportion to the amount of capital paid up on the Shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid. 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 Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.
119. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 205 of the act, fix the time for payment.
120. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
121. No dividend shall be payable except out of the profit of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.
122. The declaration of the Directors as to the amount of the net profits in the audited annual accounts of the Company for any year shall be conclusive.
123. The Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

124. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists, subject to Section 205A of the Act.
125. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
126. Subject to Section 205A of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is under the transmission Article entitled to become a member or which any person under the Article is entitled to transfer until such person shall duly become a member in respect thereof or shall transfer the same.
127. Any one of the several persons who are registered as joint holders of any share may give effectual receipts of all dividend payments on account of dividends in respect of such shares.
128. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled thereto or in the case of joint-holders to the registered address of the one whose name stands first on the Register in respect of the joint holding to such person and such address and the member or person entitled or such joint – holders as the case may be may direct and every cheque or warrant so sent shall be made payable at par to the person or to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint-holders, as the case may be may direct.
129. The payment of every cheque or warrant sent under provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.
130. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account" 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.

Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and protection Fund established under section 205C of the Act.

A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board.

131. No unclaimed dividend shall be forfeited by the Board unless before the claim becomes barred by law and the Company shall comply with the provisions of Section 205A of the Companies Act, 1956, rules made there under and other law in respect of such dividend.

BOOKS AND DOCUMENTS

132. The Books of Account shall be kept at the registered office or at such other place as the Directors think fit, and shall be open to inspection by the Directors during business hours.
133. The 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 or books or documents of the Company or any them shall be open for inspection to members not being Directors, and no member (not being a Director) shall have any right of inspection to any books of account or documents of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.
134. Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor for correctness as per provisions of the Act.
135. The first auditors of the Company shall be appointed by the Board of Directors within one month after its incorporation who shall hold office till the conclusion of first annual general meeting.
136. The Directors may fill up any casual vacancy in the office of the auditors.
137. The remuneration of the auditors shall be fixed by the Company in the annual general meeting except as otherwise decided or that remuneration of the first or any auditors appointed by the directors may be fixed by the directors.

NOTICES

138. The Company shall comply with the provisions of Sections 53, 172 and 190 of the Act as to the serving of notices.
139. Every person who, by operation of law, or by transfer or by other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.
140. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share,
141. The signature to any notice to be given by the Company may be written or printed.

RECONSTRUCTION

142. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may if authorised by special resolution, accept fully paid or partly paid-up shares; debentures or securities of any other Company whether incorporated in India or not then existing to be formed for the purchase in whole or in part of the property of the Company, and the Director (if the profit of the Company permit), or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of Company amongst the

members without realization, or vest the same in trustees for them, and any Special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under Section 494 of the Act as are incapable of being varied or excluded by these presents.

SECRECY

143. Subject to the provisions of law of land and the Act, no member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors, or to require discovery or any information respecting any detail of the Company's trading or any matter which is or may be in nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interest of the members of the Company to communicate.

WINDING UP

144. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
145. In the event of Company being wound up, whether voluntarily or otherwise the liquidators, may with the sanction of Special Resolution divide among the contributories, in specie or kind, any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidators, with like sanction shall think fit.

INDEMNITY

146. Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all bona fide costs, losses and expenses (including traveling expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not limit the generality of the foregoing provisions, against all liabilities incurred by him or by them as such Director, Manager, Secretary, Officer or employee in defending any proceeding whether civil or criminal in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall

immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

147. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgment, omission, default, or oversight on his part, or any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

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 Offer Document) 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 Offer Document, delivered to the Registrar of Companies, Uttar Pradesh and Uttarakhand located at Kanpur for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at 1014, Bagh Bahadur Chowki Colony, Near SBI Crossing, Mathura – 281 001, Uttar Pradesh, India from 10.00 a.m. to 5.00 p.m. from the date of this Offer Document to until the date of Closing of the Issue.

Material Contracts

1. Memorandum of Understanding dated 15/06/2012 entered into between our Company and Ajcon Global Services Limited, Lead Manager to the Issue.
2. Agreement dated December 16, 2011 entered into between our Company and Beetal Financial and Computer Services Private Limited, Registrar to the Issue.
3. Agreement among NSDL, the Company and the Registrar to the Issue dated February 27, 2012.
4. Agreement among CDSL, the Company and the Registrar to the Issue dated February 14, 2012.
5. Escrow Agreement dated [●] between our Company, the LM, the Registrar to the Issue and the Escrow Collection Banks.
6. Underwriting Agreement dated [●] between our Company, the LM and the Syndicate Members.
7. Market Making Agreement dated [●] between Our Company, the LM and the Market Maker(s).

Material Documents

- Copy of Memorandum of Association and Articles of Association of our Company, as amended from time to time;
- Copy of Certificate of Incorporation of Jointeca Education Solutions Limited;
- Copy of the Board Resolution passed at the meeting of Board of Directors held on November 11, 2011 approving the Issue.
- Copy of the Special Resolution passed by the shareholders of our Company under Section 81(1A) of the Companies Act, 1956, at the Extra Ordinary General Meeting held on December 14, 2011 authorizing the Issue.
- Copy of valuation report of September 2011 on the valuation of Jointeca Technologie, the sole proprietary business of Mr. Vishal Mishra, taken over by the Company.
- Auditors' Report of M/s. J.P. Associates, Chartered dated May 25, 2012 for Restated Financials of Our Company as mentioned in the Draft Prospectus.
- Copy of the Certificate dated May 25, 2012 by M/s. J.P. Associates, Chartered Accountants regarding the Statement of Possible Tax Benefits as mentioned in the Draft Prospectus.

- Copy of annual Report of the Company for the Period ended March 31, 2012 (The First Financial Period of the Company)
- Consents from our Directors, Company Secretary & Compliance Officer, Statutory Auditors, Bankers to the Company, Lead Managers, Registrar to the Issue, Legal Advisor to the Issue to include their names in the Offer Document to act in their respective capacities.
- Copy of certificate dated June 20, 2012 received from M/s. J.P. Associates, Chartered Accountants, Statutory Auditor of our Company regarding sources and deployment of funds up to June 20, 2012.
- Copy of resolution passed at the meeting of Board of Directors held on June 20, 2012 for approving this Draft Prospectus.
- Due Diligence Certificate dated [●] received by the Company from Ajcon Global Services Limited, the Lead Manager.
- Copy of approval Letter no. [●] to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.

DECLARATION

All the relevant provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 and the guidelines issued by the Government of India or the guidelines and regulations issued by Securities and Exchange Board of India, as applicable, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations issued there under, as the case may be, and that 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 and that all approvals and permissions required to carry on the business of our Company have been obtained, are currently valid and have been complied with.

We, the Directors of Jointeca Education Solutions 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 Draft 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 Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. Ramesh Chand Sharma

Non-Executive Chairman

Mr. Umesh Chand Sharma

Whole Time Director

Mr. Alok Mittal

Whole Time Director

Mr. Pradeep Kumar Saxena

Independent Director

Mr. Hariom Prasad Agrawal

Director

Mr. Vishal Mishra

Managing Director

Mr. Vivek Mishra

Whole Time Director

Mr. Neerav Nimesh Agarwal

Independent Director

Mr. Abhay Gautam

Director

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Tulsi Sharma

Place: Mathura

Date: 29/06/2012