



## TIMES ACADEMY LIMITED

Our Company was incorporated as 'Times Academy Limited' a public limited company under the Companies Act, pursuant to a Certificate of Incorporation dated June 01, 2006 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company obtained Certificate for Commencement of Business on September 29, 2006. Our corporate identification number is U80301DL2006PLC149375. For further details of our Company, please refer to the chapters titled 'General Information' and 'History and Certain Corporate Matters' beginning on pages 7 and 65 respectively, of the Draft Red Herring Prospectus

**Registered Office:** A-39, Kailash Colony, New Delhi -110 048 **Tel No:** +91 11 6466 4657; **Fax No:** +91 11 4657 4657

**Contact Person:** Mr. Omprakash Tiwari, Head-Finance; **Email:** ipo@times.edu.in; **Website:** www.times.edu.in

### PROMOTERS: MR. RAHUL BERI AND MR. SANJAY BAKLIWAL

**PUBLIC ISSUE OF 45,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH OF TIMES ACADEMY LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING ₹ [●] LACS (THE "ISSUE"). THE ISSUE WILL CONSTITUTE 36.88% OF THE FULLY DILUTED POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ADVERTISED AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.**

In case of any revision in the Price Band, the Bid / Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Self Certified Syndicate Banks ("SCSBs"), The National Stock Exchange of India Limited ("NSE") and the Bombay Stock Exchange Limited ("BSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager ("BRLM") and at the terminals of the other members of the Syndicate.

This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"). The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"). 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders subject to valid Bids being received at or above the Issue Price. All non-retail Bidders, shall participate in this Issue through the Application Supported by Blocked Amount ("ASBA") process. Retail Bidders participating in this Issue may also utilize the ASBA process to submit their Bids. For details, please refer to the chapter titled 'Issue Procedure' beginning on page 138 of the Draft Red Herring Prospectus.

### RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price (as determined by our Company in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and as stated in the chapter titled 'Basis for the Issue Price' beginning on page 42 the Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

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

### IPO GRADING

The Issue has been graded by [●], as [●] indicating [●]. The IPO grading is assigned on a scale of 1 to 5, with 'IPO Grade 5' indicating strong fundamentals and 'IPO Grade 1' indicating poor fundamentals. The Issue has not been graded by any other rating agency. For details regarding the grading of the Issue, please refer to the chapter titled 'General Information' beginning on page 7 of the Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares of our Company offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. The Company has received in-principle approval from the BSE pursuant to letter dated [●] and from the NSE pursuant to letter dated [●] for the listing of our Equity Shares. BSE shall be the Designated Stock Exchange for this Issue.

### BOOK RUNNING LEAD MANAGER

### REGISTRAR TO THE ISSUE

 <p><b>Unicon Capital Services Private Limited</b>  3<sup>rd</sup> Floor, 'A' wing, Vilco Center  8, Subhash Road, Vile Parle (East)  Mumbai – 400 057  Maharashtra  <b>Tel No:</b> +91-22-3390 1234  <b>Fax No:</b> +91-22-3390 1547  <b>Website:</b> www.uniconindia.in  <b>Email:</b> mb@unicon.in  <b>Investor Grievance ID:</b> investors@unicon.in  <b>Contact Person:</b> Mr. Pritam Pandya/ Mr. Ganesh Hadvale  <b>SEBI Registration No:</b> INM000011609</p>	 <p><b>Sharepro Services (India) Private Limited</b>  13AB, Samhita Warehousing Complex,  Sakinaka Telephone Exchange Lane,  Off Andheri Kurla Road,  Sakinaka, Andheri (East),  Mumbai - 400 072, Maharashtra  <b>Tel No:</b> +91- 22- 6191 5402 / 5404  <b>Fax No:</b> +91- 22- 6191 5444  <b>Website:</b> www.shareproservices.com  <b>Email:</b> times.ipo@shareproservices.com  <b>Contact Person:</b> Mr. Subhash Dhingreja  <b>SEBI Registration No:</b> INR000001476</p>
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### BID / ISSUE PROGRAMME

<b>FOR ALL BIDDERS</b>	<b>BID / ISSUE OPENS ON [●]</b>
<b>FOR QIBS*</b>	<b>BID / ISSUE CLOSES ON [●]</b>
<b>FOR NON- INSTITUTIONAL AND RETAIL BIDDERS</b>	<b>BID / ISSUE CLOSES ON [●]</b>

\* Our Company may consider closing the Bidding by QIBs one day prior to the Bid / Issue Closing Date subject to the Bid / Issue Period being for a minimum of three Working days



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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

In the Draft Red Herring Prospectus, unless the context otherwise requires, the terms defined and abbreviations stated hereunder shall have the meanings as assigned therewith as stated in this Section.

#### Company Related Terms

Term	Description
“the Company”, “our Company”, “Issuer”, “Issuer Company”, “we”, “us”, “our”	Times Academy Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office at A-39, Kailash Colony, New Delhi -110 048.
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 or our Board	The Board of Directors of our Company, duly constituted from time to time, including any committee thereof
Director(s)	The Director(s) of our Company
Memorandum, our Memorandum or Memorandum of Association or MoA	The Memorandum of Association of our Company, as amended from time to time
Our Group Entities	Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page 85 of the Draft Red Herring Prospectus
Our Promoters	Mr. Rahul Beri and Mr. Sanjay Bakliwal
Registered and Corporate Office/ Registered Office	The registered and corporate office of our Company, situated at A-39, Kailash Colony, New Delhi -110 048.
RoC / Registrar of Companies, Mumbai	The Registrar of Companies NCT of Delhi and Haryana
Statutory Auditors	The statutory auditors of our Company, being M/s. Nayak Rath & Associates, Chartered Accountants

#### Issue Related Terms

Term	Description
“Issue” or “the Issue” or “this Issue”	Public Issue of 45,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lacs
“you”, “your” or “yours”	All such references are to the Bidders to the Issue, unless the context otherwise specifies
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allocation of Equity Shares pursuant to this Issue to the successful Bidders
Allot / Allotted / Allotment/ Allotment of Equity Shares	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to this Issue to successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof
Allottee	A successful Bidder to whom the Equity Shares are Allotted pursuant to this Issue
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by all Bidders to make a Bid authorising a SCSBs to block the Bid Amount in a specified bank account maintained with the SCSBs
ASBA Account	Account maintained with a SCSBs which will be blocked by such SCSBs 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	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

Term	Description
	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)
ASBA Bidder(s)	Any prospective investor(s) in this Issue who Bid/ apply through the ASBA process
	Pursuant to SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011, non-retail Investors i.e. QIBs and Non-Institutional Investors participating in this Issue are required to mandatorily use the ASBA facility to submit their Bids
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)
Banker(s) to the Issue/ Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened, in this case being [●]
Bankers to our Company	Such entities which are disclosed as Bankers to our Company in the chapter titled ' <i>General Information</i> ' beginning on page 7 of the Draft Red Herring Prospectus
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 138 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 Closing Date	The date after which the members of the Syndicate and the designated branches of the SCSBs shall not accept any Bids for the Issue, which shall be a date notified in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated. Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid / Issue Closing Date, which shall also be notified in the said advertisement in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated
Bid / Issue Opening Date	The date on which the members of the Syndicate and the SCSBs shall start accepting Bids for the Issue, which shall be a date notified in two national daily newspapers (one each in English and in Hindi) of wide circulation and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated
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

Term	Description
	Herring Prospectus and the Bid cum Application Form including an ASBA Bidder who Bids through an ASBA Bid cum Application Form
Book Building Process / Book Building Method	The book building route as provided under Schedule XI of the SEBI ICDR Regulations, in terms of which this Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Unicon Capital Services Private Limited
Business Day	Any day on which commercial banks in Mumbai are open for business
Cap Price	The higher end of the Price Band above which the Issue Price will not be finalised and above which no Bids will be accepted
Compliance Officer	The Head Finance of our Company, being Mr. Omprakash Tiwari
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 <a href="http://www.sebi.gov.in/pmd/scsb/html">http://www.sebi.gov.in/pmd/scsb/html</a>
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with the Book Running Lead Manager. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding ₹ 2 lacs. No other category of Bidders are entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details.
Depositories	Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
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 <a href="http://www.sebi.gov.in/pmd/scsb/html">http://www.sebi.gov.in/pmd/scsb/html</a>
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	Bombay Stock Exchange Limited
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated September 28, 2011 issued in accordance with Section 60B of the Companies Act and SEBI ICDR Regulations, filed with SEBI and which does not contain complete particulars of the price at which the Equity Shares would be issued and the size of the Issue
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 Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Equity Shares	Equity shares of our Company of face value of ₹ 10 each, fully paid up, unless otherwise specified in the context thereof
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Bidders (excluding ASBA Bidders) on the terms and conditions thereof
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
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
Issue Agreement	The agreement dated September 28, 2011, entered into by our Company and the BRLM, pursuant to which certain arrangements are agreed to, in relation to the Issue
Issue Price	The final price at which the Equity Shares will be issued and allotted in terms

Term	Description
	of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being ₹ [●] lacs
Listing Agreement	Equity listing agreements to be entered into by our Company with the Stock Exchange(s)
Mutual Fund Portion	5% of the QIB Portion or 1,12,500 Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further information about use of the Issue Proceeds and the Issue related expenses, please refer to the chapter titled ' <i>Objects of the Issue</i> ' beginning on page 31 of the Draft Red Herring Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non-Institutional Bidders	As defined in the SEBI ICDR Regulations and includes all Bidders including sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for a cumulative amount more than ₹ 2 lacs (but not including NRIs other than eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of 6,75,000 Equity Shares, available for Allocation to Non Institutional Bidders on a proportionate basis, subject to receipt of valid Bids at or above the Issue Price
NR / Non-Resident	A person resident outside India, as defined under FEMA including eligible NRIs and FIIs
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.
Pay-in-Period / Pay-in Period	The period commencing on the Bid / Issue Opening Date and continuing till the Bid / Issue Closing Date
Payment through electronic transfer of funds	Payment made through NECS, Direct Credit or NEFT, as applicable
Price Band	Price band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised at least two Working Days prior to the Bid / Issue Opening Date, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper, of wide circulation, where the Registered Office of our Company is situated
Pricing Date	The date on which our Company in consultation with the BRLM, finalises the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building process, the size of the Issue and certain other additional 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
QIB Portion	The portion of the Issue being not more than 50% of the Issue, consisting of not more than 22,50,000 Equity Shares, available for Allocation to QIBs, subject to receipt of valid Bids at or above the Issue Price.
Qualified Institutional Buyers	As defined under the SEBI ICDR Regulations, including public financial

Term	Description
or QIBs	institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 lacs, pension fund with minimum corpus of ₹ 2,500 lacs, NIF 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, India
Red Herring Prospectus / RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	No-lien account maintained by the Refund Bank(s) to which the surplus money shall be transferred and from which refunds of the whole or part of the Bid Amount (excluding that of the ASBA Bidders), if any, shall be made.
Refund Bank (s) / Refund Banker(s)	The bank(s) which have been appointed / designated for the purpose of refunding the amount to investors either through the electronic mode as prescribed by SEBI and / or physical mode in accordance with the procedure contained in the chapter titled 'Issue Procedure' beginning on page 138 of the Draft Red Herring Prospectus
Refunds through electronic transfer of funds	Refunds made through ECS / NECS, Direct Credit, NEFT or the ASBA process, as applicable
Registrar to the Issue	Registrar to this Issue, being Sharepro Services (India) Private Limited
Resident Retail Individual Bidder / Resident Retail Individual Investor	A Retail Individual Bidder who is a "person resident in India" (as defined in FEMA).
Retail Individual Bidder(s)	Individual Bidders who have Bid for Equity Shares for an amount not more than ₹ 2 lacs in any of the bidding options in the Issue (includes HUFs applying through their Karta and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 35% of the Issue, consisting of 15,75,000 Equity Shares, available for Allocation to Retail Individual Bidders on a proportionate basis.
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)
SCSB Agreement	The deemed agreement between the SCSBs, the BRLM, the Registrar to the Issue and our Company, in relation to the collection of Bids from the ASBA Bidders and payment of funds by the SCSBs to the Public Issue Account.
Self Certified Syndicate Bank or SCSBs	Self Certified Syndicate Bank is a Banker to an Issue registered with SEBI which offers the facility of making a Applications Supported by Blocked Amount and recognised as such by SEBI, a list of which is available at <a href="http://www.sebi.gov.in/pmd/scsb/html">http://www.sebi.gov.in/pmd/scsb/html</a>
Stock Exchanges	The BSE and the NSE
Sub Syndicate Member	A SEBI registered member of BSE and / or NSE appointed by the BRLM and / or Syndicate Member to act as a Sub Syndicate Member in the Issue
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
Syndicate Member(s)	An intermediary registered with the SEBI to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [•]
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



Term	Description
	Bid
Underwriters	The Book Running Lead Manager 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	Unless the context otherwise requires: (i) Till the Bid / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post the Bid / Issue closing date: All days other than a Sunday or a public holiday And on which commercial banks in Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

#### Technical / Industry Related Terms / Abbreviations

Term	Description
BAMC	Bachelors of Arts, Media Communication
BBA	Bachelors in Business Administration
BCA	Bachelors in Computer Application
ICT	Information and Communication Technology
IPR	Intellectual Property Rights
NAA	National Accreditation Authority
NEFC	National Education Finance Corporation
MBA	Masters in Business Administration
MCA	Masters in Computer Application
MHRD	Ministry of Human Resources and Development
NAA	National Accreditation Authority
NEFC	National Education Finance Corporation
PE	Private Equity
IPR	Intellectual Property Rights
www	World Wide Web

#### Conventional/General Terms / Abbreviations

Abbreviation/Acronym	Description
A/c	Account
AGM	Annual General Meeting.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year; the period of twelve months commencing from the 1 <sup>st</sup> day of April every year
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited.
CENVAT	Central Value Added Tax
CIN	Corporate Identity Number
Companies Act	The Companies Act, 1956, as amended from time to time
CRR	Cash Reserve Ratio
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director's identification number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.
DP	A Depository Participant as defined under the Depositories Act
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortisation and extraordinary items
ECB	External Commercial Borrowings
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per Share
ESIC	Employee State Insurance Corporation
FCNR Account	Foreign Currency Non Resident Account

Abbreviation/Acronym	Description
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
Financial Year / Fiscal / Fiscal Year / FY	Period of twelve months ended March 31 of that particular year, unless specifically stated otherwise
FIPB	Foreign Investment Promotion Board
FVCI	Foreign venture capital investor as defined in and registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
GER	Gross Enrolment Ratio
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended from time to time
I. T. Rules	The Income Tax Rules, 1962, as amended from time to time
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Offer
IT	Information technology
Key Managerial Personnel / KMP	The officers vested with executive powers and the officers at the level immediately below the Board of Directors of the Issuer Company and other persons whom the Issuer has declared as a Key Managerial Personnel and as mentioned in the chapter titled ' <i>Our Management</i> ' beginning on page 68 of the Draft Red Herring Prospectus
Ltd.	Limited
MCX	Multi Commodity Exchange of India Limited
MCX-SX	MCX Stock Exchange Limited, a subsidiary of MCX
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended from time to time
MICR	Magnetic Ink Character Recognition
MNC	Multi National Company
MOU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value being paid-up equity share capital plus free reserves (excluding reserves created out of revaluation, preference share capital and share application money) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of 'profit and loss account', divided by number of issued Equity Shares outstanding at the end of the Fiscal.
NBFC	Non-Banking Finance Company
NCDEX	National Commodity & Derivatives Exchange Limited
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NMCE	National Multi-Commodity Exchange of India Limited
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSEL	National Spot Exchange Limited
NSSO	National Sample Survey Office
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio

Abbreviation/Acronym	Description
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth
Rs./ ₹ / INR/Rupees	Indian Rupees, the legal currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, read with rules and regulations thereunder and amendments thereto and as amended from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
SEBI Takeover Regulations/ Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
Sq.ft.	Square feet
sq.mtrs.	Square meters
Sub-account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as amended.
TDS	Tax Deducted at Source
U.S. or US or U. S. A.	The United States of America
UIN	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time.
UoI	Union of India
VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
VCFs	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations

Notwithstanding the foregoing:

1. In the section titled ‘*Main Provisions of the Articles of Association*’ beginning on page 174 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled ‘*Summary of Business*’ and ‘*Our Business*’ beginning on pages 2 and 57 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled ‘*Risk Factors*’ beginning on page xvi of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled ‘*Statement of Tax Benefits*’ beginning on page 44 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

5. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operation*' beginning on page 111 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to 'India' in the Draft Red Herring Prospectus are to the Republic of India, together with its territories and possessions, all references to the 'US', the 'USA', the 'United States' or the 'U.S.' are to the United States of America, together with its territories and possessions.

### Financial Data

Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our audited financial statements for the Fiscals 2007, 2008, 2009, 2010 and 2011 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in the Draft Red Herring Prospectus, and set out in the section titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus. Our Fiscal commences on April 1 and ends on March 31 of the following year, so all references to a particular Fiscal are to the twelve-month period ended March 31 of that year. In the Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages xvi, 57 and 111 respectively, of the Draft Red Herring Prospectus and elsewhere in the Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

### Currency and units of presentation

In the Draft Red Herring Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America.

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'.

### Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained from industry publications and publicly available government documents. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Similarly while information contained in the publicly available government documents that is relied upon for the purposes of the Draft Red Herring Prospectus is believed to be complete and reliable, there can be no assurance of the same. Accordingly, no investment decisions should be made based on such information. The extent to which the market and industry data used in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

## FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'may', 'might', '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 and which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry.

Important factors that could cause actual results to differ materially from our expectations include, among others:

1. Implementation risks involved in our projects;
2. Significant changes in the exchange rates;
3. Increase in freight, interest rates, etc.;
4. Competition from existing players;
5. Working capital arrangements;
6. Growth of unorganized sector and threat from national/regional players;
7. Changes in laws and regulations relating to the industry in which we operate;
8. Disruption in supply of raw materials;
9. Changes in political and social conditions in India, the monetary and interest rate policies in India and / or other countries, inflation, deflation, anticipated turbulence in interest rates, equity prices or other rates or prices;
10. Imposition of any anti- dumping duties in the Industry in which we operate;
11. Our ability to successfully implement our strategy, growth and expansion plans;
12. The outcome of legal or regulatory proceedings that we are or might become involved in;
13. Contingent liabilities, environmental problems and uninsured losses;
14. Changes in government policies and regulatory actions that apply to or affect our business;
15. Developments affecting the Indian economy;

16. Ability to retain appropriate personnel;
17. Uncertainty in global financial markets; and
18. Occurrence of natural disasters or calamities affecting the areas in which our Company has its operations.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer sections / chapter titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages xvi, 57 and 111 respectively, of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. Neither our Company, our Directors and officers and the BRLM nor any of the Syndicate Members nor any of their respective affiliates has any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until the time of the grant of listing and trading approvals by the Stock Exchanges.

## SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on pages 57 and 111 respectively, of the Draft Red Herring Prospectus as well as the other financial and statistical information contained in the Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled 'Financial Information' beginning on page 91 of the Draft Red Herring Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

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

These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

### Materiality

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

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

### Project related and internal risks

1. **Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may render us liable to liabilities and may adversely affect our business and results of operations.**

Our Company is involved in certain legal proceedings and claims in relation to an arbitration matter, which our Company has filed. For further details regarding the same, please refer to the chapter titled 'Outstanding Litigations and Material Developments' beginning on page 118 of the Draft Red Herring Prospectus.

2. **Our Company has incurred losses in the past. Sustained losses could adversely impact our business, financial condition and results of operations.**

	(₹ in lacs)				
	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010	March 31, 2011
Net Profit/Loss after tax, as restated	(0.63)	6.89	16.98	48.82	(222.49)



3. *Our Company had negative cash flows in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.*

(₹ in lacs)

Cash flow from	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010	March 31, 2011
Operating activities	(35.41)	(218.26)	36.38	176.94	(246.02)
Investing activities	(56.56)	(50.52)	(32.39)	(475.79)	(916.75)
Financing activities	132.05	231.67	(5.19)	322.59	1142.03

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its 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. For further details please refer to the section titled 'Financial Information' and chapter titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the Financial Statements' beginning on pages 91 and 111 respectively, of the Draft Red Herring Prospectus.

4. *The property used by our Company for our registered office is not owned by us and we have only rights as a licensee over the same. Any adverse impact on the title / ownership rights of the owner or breach of the terms / non renewal of the license agreement may impede our effective operations and thus adversely affect our profitability.*

Our registered office situated at A-39, Kailash Colony, New Delhi -110 048, is not owned by our Company and is taken on a license basis from Mrs. Harcharan Kaur, Mrs. Iqbal Kaur, Mrs. Inderjit Kaur, Mr. Urmeet Singh and Mr. Manmeet Singh for a period of five years commencing from May 1, 2007. Similarly the study centers which we operate and manage are taken on lease basis. Any adverse impact on the title / ownership rights of the owner, from whose premises we operate our registered office and study centers, or breach of the terms / non renewal of the license agreement may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability.

5. *Quality concerns and negative publicity if any, would adversely affect the value of our brand, and our Company.*

Our business is dependent on the trust our students repose have in us. Any negative publicity regarding our Company, brand, or services we offer, or any other unforeseen events could adversely affect our reputation our brand value, our operations and our results from operations.

6. *Failure to obtain and or renew affiliations to Universities could adversely impact our business.*

We currently have affiliations with Punjab Technical University, Jalandhar, Guru Jambheshwar University of Science and Technology, Hissar and Bhartiya University, Coimbatore. Apart from these we are also affiliated to 2 Universities based in UK, University of London and NCC Education, based out of Manchester. In case we are not able to renew affiliations with the Universities, it may have a material adverse effect on our business and results of operations.

7. *Some of the Group Companies promoted by our Promoters have incurred losses in the last three years. Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations.*

The following Group Companies promoted by the Promoters has incurred losses in one or more of the last three years:

(₹ Lacs)

Name of the Company	FY 2009	FY 2010	FY 2011
Paramount Finlease Private Limited	-0.08	-0.01	-0.07
Samyak Sweet Homes Private Limited	0.01	(0.04)	(0.04)

8. *We have issued below mentioned Equity Shares in the last twelve months from the date of filing the Red Herring Prospectus with SEBI, the price of which may be lower than the Issue Price.*

Our Company has on November 10, 2010, issued shares to the following persons on a preferential basis. The price at which these shares are allotted is not indicative of the price at which shares will be issued in this Issue.

Sr. No.	Name of the Persons	Whether Belongs to Promoter Group	Number of Equity Shares	Issue Price (₹)	% of Pre-Issue capital
1.	Saraswati Vincom Limited	No	2,00,000	45	2.60%
2.	Talisman Securities Private Limited	No	2,00,000	45	2.60%
3.	Mr. Mahesh Mitta	No	1,00,000	45	1.30%
4.	Rosy Dilcome Private Limited	No	1,00,000	45	1.30%
5.	Ms. Parul Piyush Shah	No	1,00,000	45	1.30%
6.	Ms. Poonam Sandeep Mantri	No	1,00,000	45	1.30%
7.	Solace Capital Services Private Limited	No	1,00,000	45	1.30%
8.	Mr. Piyush M. Shah	No	50,000	45	0.65%
9.	Mr. Navin Panchlal Sawla	No	25,000	45	0.32%
10.	Mr. Ramesh Velji Shah	No	25,000	45	0.32%
11.	Ajay Natvarlal Sheth (HUF)	No	10,000	45	0.13%
12.	Nilesh Natvarlal Sheth (HUF)	No	10,000	45	0.13%
13.	Bhavesh Natvarlal Sheth (HUF)	No	10,000	45	0.13%
14.	Jayesh Natvarlal Sheth (HUF)	No	10,000	45	0.13%
15.	Natvarlal Harjivan Sheth (HUF)	No	10,000	45	0.13%
16.	Ms. Indu Mahesh Shah	No	10,000	45	0.13%
17.	Ms. Varsha Bagadia	No	5,000	45	0.06%
18.	Ms. Aruna Bagadia	No	5,000	45	0.06%
19.	Ms. Anjana Bagadia	No	5,000	45	0.06%
20.	Ms. Manjula Beni Gosai	No	5,000	45	0.06%
21.	Ms. Hemali Udani	No	5,000	45	0.06%
22.	Mr. Nikhil Udani	No	5,000	45	0.06%
	<b>Total</b>		<b>10,90,000</b>		<b>14.15%</b>

**9. Our success depends largely on our senior management and key personnel and our ability to attract and retain them.**

We are highly dependent on the senior management of our Company. Our future performance will be affected by the lack of continued service of these persons. We do not maintain key man life insurance for any of the senior members of our management team or other key personnel. Competition for senior management in our industry is intense, and we may not be able to retain such senior management personnel or attract and retain new senior management personnel in the future. The loss of any of the members of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. For further details on all of our key managerial personnel please refer to paragraph titled “Our Key Managerial Personnel” in the chapter titled “Our Management” beginning on page 132 of this Draft Red Herring Prospectus.

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

Our Company has entered into related party transactions with our Promoters and Promoter Group Entities in the past. While our Company believe that all such transactions have been conducted on an arm’s length basis and are accounted as per Accounting Standard 18, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For further details please refer to the section titled ‘Financial Information’ beginning on page 91 of the Draft Red Herring Prospectus.

- 11. Our Company has made application for registration of trademark, which is under process of registration. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.**

We have made application for registration of trademark and the registration for the said trademark in our name is important to retain our brand equity. If our application for registration is not accepted or if the oppositions filed against our trademark application if any, are successful, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. Further, we cannot assure that our pending applications would be granted registration or will not be challenged or if granted registration, will not be invalidated or circumvented or will offer us any meaningful protection. Further, the laws of some countries in which we may market our products may not protect our intellectual property rights adequately. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.

For further details please refer to the chapter titled 'Government and Other Approvals' beginning on page 120 of the Draft Red Herring Prospectus

- 12. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of any or all of our business development plans and this may have an adverse effect on our business and results of operations.**

We may require additional funds in connection with future business expansion and development initiatives. In addition to the net proceeds of this offering and our internally generated cash flow, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions or raising additional debt in the capital markets. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of any or all of our business development plans and this may have an adverse effect on our business and results of operations.

- 13. Our Company has unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.**

As on March 31, 2011, our Company has unsecured loans aggregating to ₹ 530.39 lacs which are repayable on demand. For further details of these unsecured loans, please refer to chapter titled 'Financial Information' beginning on page 91 of the Draft Red Herring Prospectus. In case of any demand from lenders for repayment of such unsecured loans, the resultant cash outgo, may adversely affect our business operations and financial position of our Company.

- 14. Increasing employee compensation in India may reduce our Company's profit margins.**

Increase in compensation levels in India may negatively affect our profit margins. Employee compensation in India is currently increasing which could result in increased costs of production. Our Company may need to continue to increase levels of employee compensation to manage attrition. Any increases in the amount of compensation paid to our Company's employees could have a significant effect on our costs, which may affect our position in our industry and have a material adverse effect on our business and financial operations.

- 15. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements.**

Our Company has not paid annual dividends in the last five years and under our current financial arrangements, we cannot pay dividends without the consent of our lenders. The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

**16. Our Company does not have any insurance cover.**

To the extent that we suffer loss or damage for events for which we are not insured the loss would have to be borne by us, and, as a result, our results of operations and financial condition could be adversely affected.

**17. Any changes in regulations or applicable government incentives would materially adversely affect our Company's operations and growth prospects**

Our Company is subject to regulations in India. Our Company's business and prospects could be adversely affected by changes in any of these regulations and policies, or if any or all of the incentives currently available cease to be, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which would have a material adverse affect on our Company's operations and financial results. For further details, please refer to the chapter titled 'Key Industry Regulations and Policies' beginning on page 64 of the Draft Red Herring Prospectus.

**18. 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 the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our project 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 purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates for the project may exceed the value that would have been determined by third party appraisals and may require us to reschedule our project 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 management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

**19. Our proposed expansion plans are financially dependent on the Issue proceeds any delay in raising of 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.

**20. The statutory / regulatory approvals for the proposed project / expansion plans are yet to be applied and any delay or non-receipt of such approvals may delay the proposed project / expansion plans.**

As on date of the Draft Red Herring Prospectus, we have not applied for the licenses in relation to the Objects of the Issue. We cannot assure that we would be able to apply for these licenses / approvals / permissions in a timely manner, or that we would be granted such licenses / approvals / permissions in a timely manner or at all. Such grant may also be subject to restrictions and / or permissions which may not be acceptable to us, or which may prejudicially affect our operations, and would have a material adverse effect on our business, results of operations and financial condition. For further details pertaining to the licenses / approvals / permissions, please refer to the chapter titled 'Government and other Approvals' beginning on page 120 of the Draft Red Herring Prospectus.

**21. Our expansion plans are subject to the risk of cost and time overruns**

Our plan for setting up a new campuses as referred to in the chapter titled 'Objects of the Issue', contains project costs and implementation schedules. We intend to utilize the Net Proceeds of the Issue for setting up new campuses, for brand building and for meeting the working capital requirements for the new campuses. Our plans are subject to a number of contingencies, including changes in laws and regulations, government action, delays in obtaining approvals, delays in getting requisite land, inability to obtain machinery and

other supplies at quoted or at acceptable terms, accidents, natural calamities, terrorist activity and other factors, many of which may be beyond our control. We, therefore, cannot assure you that the costs incurred or time taken for implementation of these plans will not vary from our estimated parameters.

## External Risk

### ***22. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the financial services and education sector contained in the Draft Red Herring Prospectus.***

While facts and other statistics in the Draft Red Herring Prospectus relating to India, the Indian economy and the financial services and education 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 chapter titled '*Industry Overview*' beginning on page 51 of the Draft Red Herring 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.

### ***23. After this Issue, the Equity Shares may experience price and volume fluctuations or an active trading market for the Equity Shares may not develop.***

The price of the 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, the performance of our competitors, developments in the Indian education industry and changing perceptions in the market about participation in these sectors, 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.

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

The price of the Equity Shares will be subject to a daily circuit breaker imposed by Stock Exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

### ***25. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities

from trading and limited price movements. A closure of, or trading stoppage on, the BSE or the NSE also could adversely affect the trading price of the Equity Shares.

**26. *Fluctuations in operating results and other factors may result in decreases in our Equity Share price.***

Stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our Equity Shares. There may be significant volatility in the market price of our Equity Shares. If we are unable to operate profitably or as profitably as we have in the past, investors could sell our Equity Shares when it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of our Equity Shares. In addition to our operating results, the operating results of other competitor companies, changes in financial estimates or recommendations by analysts, governmental investigations and litigation, speculation in the press or investment community, changes in general conditions in the economy or the financial markets, or other developments affecting the industry in which we operate, could cause the market price of our Equity Shares to be issued to fluctuate substantially.

**27. *Additional issuances of equity may dilute your holdings.***

Any future issuance of our Equity Shares or securities linked to our Equity Shares may dilute your 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 will own, directly and indirectly, approximately 27.06% of our outstanding Equity Shares. Sales of a large number of our Equity Shares by our Promoter 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.

**28. *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 realised 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 realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised 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.

**29. *The Equity Shares issued pursuant to the Issue may not be listed on the BSE and the NSE in a timely manner, or at all, and any trading closures at the BSE and the NSE may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, 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 authorising the issuing of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including our Equity Shares. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

**Risks Associated with the Indian Economy**

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

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to

implement our strategy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

***31. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the takeover regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its shareholders, such a takeover may not be attempted or consummated because of Indian takeover regulations.

***32. Political instability or changes in the government could delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact our financial results and prospects.***

Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant. The leadership of India has changed many times since 1996. The current central government, which came to power in May 2009, is headed by the Indian National Congress and is a coalition of several political parties. Although the current government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous governments, the rate of economic liberalization could change, and specific laws and policies affecting foreign investment and other matters affecting investment in our securities could change as well. Additionally, any change in these policies could have a significant impact on infrastructure development, business and economic conditions in India.

***33. Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the U.S. or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reaction to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

***34. Natural disasters could have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced significant natural disasters such as earthquakes, a tsunami, floods, drought, fires and spread of pandemic diseases such as the H5N1 avian flu and the H1N1 swine flu, in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy and

infrastructure. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy in which we operate, which could adversely affect our business and the price of our Equity Shares.

### Prominent Notes

1. This is a Public Issue of 45,00,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating to ₹ [●]. The Issue will constitute 36.88% of the post Issue paid-up capital of our Company.
2. Our Company was incorporated as 'Times Academy Limited' under the Companies Act pursuant to Certificate of Incorporation dated June 01, 2006 bearing CIN U80301DL2006PLC149375 of 2006-07 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company received its certificate for Commencement of Business on September 29, 2006. Our corporate identification number is U80301DL2006PLC149375.
3. This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), and the SEBI ICDR Regulations. The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"). 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders subject to valid Bids being received at or above the Issue Price. All potential non-retail Bidders, shall participate in this Issue through the Application Supported by Blocked Amount ("ASBA") process. Retail Bidders participating in this Issue may also utilize the ASBA process to submit their Bids. For details, please refer to the chapter titled 'Issue Procedure' beginning on page 138 of the Draft Red Herring Prospectus.
4. Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Bidder, number of Equity Shares for which the Bidder applied, Bid Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Bidder. For contact details of the BRLM and the compliance officer, please refer to chapter titled 'General Information' beginning on page 7 of the Draft Red Herring Prospectus.
5. Our Net Worth as at March 31, 2011 was ₹ 1,137.80 lacs as per our restated audited financial statements, under Indian GAAP included in the Draft Red Herring Prospectus.
6. The Net Asset Value per Equity Share as at March 31, 2011 was ₹ 14.77, as per our restated audited financial statements, under Indian GAAP included in the Draft Red Herring Prospectus. For further details, please refer to chapter titled 'Financial Information' beginning on page 91 of the Draft Red Herring Prospectus.
7. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	Average cost of acquisition (in ₹)
Mr. Rahul Beri	10.08
Mr. Sanjay Bakliwal	8.62

8. Our Company has not issued any Equity Shares for consideration other than cash.
9. Except as disclosed in Annexure - XV under chapter titled 'Financial Information', 'Our Promoters and Promoter Group', 'Group Entities' and 'Capital Structure' on pages 91, 81, 85 and 17 respectively, of the Draft Red Herring Prospectus, none of our Promoters, Directors, Key Managerial Personnel or Group Entities 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.



10. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company during the period of six months immediately preceding the date of the Draft Red Herring Prospectus.
11. No part of the Issue proceeds will be paid as consideration to Promoters, Directors, Key Managerial Personnel or persons forming part of Promoter Group.
12. Our Company and the BRLM shall update the Draft Red Herring Prospectus in accordance with the Companies Act, 1956. All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road shows, presentations, in research or sales reports, at bidding centres etc.
13. Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Bidders, Non-Institutional Bidders and Retail Individual Bidders and shall be on a proportionate basis, in consultation with BSE, the Designated Stock Exchange.
14. Trading in Equity Shares of our Company shall be in dematerialized form only for all investors.

## SECTION III – INTRODUCTION

### SUMMARY OF OUR INDUSTRY

#### Overview of the Indian Education System

India is a nation of young people. Out of a population of above 1.1 billion, 672 million people are in the age-group of 15 to 59 years, which is usually treated as the “working age population”. It is predicted that India will see a sharp decline in the dependency ratio over the next 30 years, which will constitute a major „demographic dividend“ for India. In the year 2001, 11% of population of the country was in age group of 18 years to 24 years which is expected to rise to 12% by the end of Eleventh Five Year Plan. This young population should be considered as an invaluable asset which if equipped with knowledge and skills, can contribute effectively to the development of the national as well as the global economy.

*(Source: Report to the People on Education- 2009-10- MHRD- July 2010)*

The education system in India comprises of formal, vocational and informal education. All levels of formal education are heavily regulated by the Ministry of Human Resource Development, Government of India (MHRD). Informal education is unregulated.

#### Current State of Higher Education in India

India has one of the largest “Higher Education Systems” in the world. From 20 universities and 500 colleges at the time of Independence, it now has more than 500 universities and 25,000 colleges.

The Government of India (GoI) has looked upon higher education as an instrument to invest in to achieve the national priorities of economic and social development, including improved quality of life for all and building technological leadership, as well as global priorities such as sustainable and equitable management of earth resources. Today, higher education is an enabler of economic growth as well as an indicator of the prosperity of a nation. Realizing this potential, GoI is formulating major policies related to higher education to meet the changing needs within the country and to be an effective player in the globalized knowledge economy. For example, in FY 2011, GoI has projected an outlay of about Rs 85,000 crore for higher education during the XIth Five-Year Plan period which marks more than a 9-fold increase over the Xth Plan outlay for the same sector.

*(Source: Dr Anil Kakodkar Committee report dated April 2011)*

#### Education in a Changing Global Scenario

In the present context, education policies and strategies have to reckon with emerging challenges and opportunities that come from increasing globalization. The task of nation building has to take into account increasing demand for certain professional skills and knowledge that is linked to the labour market. A globalized world will ultimately require the outsourcing of human skills in regions which will witness a ‘demographic deficit’. Skilled human capital will have to be imported to certain regions to sustain economic growth. This can offer tremendous opportunities for employment and growth provided the youth are equipped with requisite knowledge and skills.

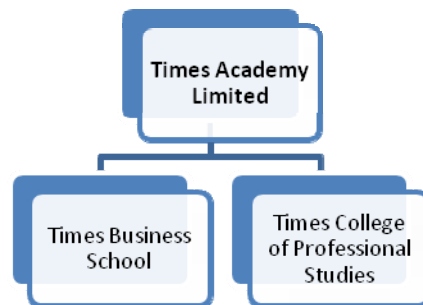
Globalisation imposes new ways of thinking by researchers, teachers and administrators in the process of creation, dissemination and the management of knowledge. In this era of Globalization and Internationalization of education, there will be impetus to mobility of people including students, teachers and researchers. The main challenge, therefore, is to provide the requisite opportunities through investment in schools, colleges and universities. The access to quality education for all will create an environment whereby the fruits of development and growing opportunities are available to all sections. A further challenge is to ensure that the foreign institutions coming to India also fit in with the developmental goals of our nation.

Faced with the complexity of current and future global challenges, institutions of education have the social responsibility to advance our understanding of multifaceted issues, which involve social, economic, scientific and cultural dimensions and our ability to respond to them. To do so, institutions must increase their interdisciplinary focus and promote innovative thinking which contributes to the advancement of peace, well being and development, and the realization of human rights, including gender equity.

*(Source: Report to the People on Education- 2009-10- MHRD- July 2010)*

## SUMMARY OF OUR BUSINESS

Times Academy Limited (TAL) was formed in the year 2006, with an objective is to impart international quality learning in the area of higher education. TAL endeavours to cater to the ever growing demand of skilled and employable manpower by linking education with employment and creating a productive workforce. We operate through two brands as under:



We provide assistance in professional educational services in India. Our educational programs (offered by the respective Universities) are targeted for students who have cleared higher secondary examinations in the area of Management, Information Technology, Banking, Finance, Insurance, Media, and Infrastructure amongst others. The above programs are offered through our affiliations to three Universities in India, Punjab Technical University, Jalandhar, Guru Jambheshwar University of Science and Technology, Hissar and Bhartiya University, Coimbatore. Apart from these we are also affiliated to 2 Universities based in UK, University of London and NCC Education, based out of Manchester.

These programs are offered to the students who opt for Distance Learning Programs through the following study centers at our campuses located in New Delhi, Mumbai and Ahmedabad. Graduate and Post-Graduate courses are conducted through Times Business School, whilst other short term courses are conducted through Times College of Professional Studies.

As on August 30, 2011, we have a team of 32 professionals (excluding part time/ visiting/ honorary faculty members). Since the establishment of our first centre in New Delhi we have built Intellectual capital (Case Studies, Course Content, etc) of over 6,120 pages for the various programs offered by us.

**SUMMARY OF OUR FINANCIAL INFORMATION**  
**STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)**

(₹ in lacs)

Particulars	As At				
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
<b>A. Fixed Assets</b>					
Gross Fixed Assets	54.56	105.08	137.47	275.84	1,388.59
Less : Accumulated Depreciation	6.37	13.17	24.58	79.09	174.92
<b>Net Fixed Assets</b>	<b>48.19</b>	<b>91.91</b>	<b>112.89</b>	<b>196.75</b>	<b>1,213.67</b>
Less:- Revaluation reserves	-	-	-	-	-
<b>Net Fixed Assets After Revaluation Reserves</b>	<b>48.19</b>	<b>91.91</b>	<b>112.89</b>	<b>196.75</b>	<b>1,213.67</b>
Capital Work in Progress	-	-	-	275.93	79.93
<b>Total Fixed Assets</b>	<b>48.19</b>	<b>91.91</b>	<b>112.89</b>	<b>472.68</b>	<b>1,293.60</b>
<b>B. Investments</b>	-	-	-	-	-
<b>C. Current Assets, Loans &amp; Advances</b>					
Sundry Debtors	42.00	42.00	96.00	141.02	94.35
Cash and Bank Balances	40.08	2.97	1.77	25.51	4.77
Loans and Advances	5.82	261.50	409.19	363.54	400.67
Deferred Tax Assets	-	-	-	-	92.22
<b>Total (C)</b>	<b>87.90</b>	<b>306.47</b>	<b>506.96</b>	<b>530.07</b>	<b>592.01</b>
<b>D. Liabilities &amp; Provisions</b>					
Secured Loans	-	-	-	-	-
Unsecured Loans	-	70.50	54.72	271.25	530.39
Deferred Tax Liability (Net)	0.39	2.68	7.58	7.19	-
Current Liabilities	5.33	23.29	209.04	233.89	215.49
Provisions	0.55	1.85	8.17	25.75	1.94
<b>Total (D)</b>	<b>6.27</b>	<b>98.32</b>	<b>279.51</b>	<b>538.08</b>	<b>747.82</b>
<b>E . Net Worth ( A + B+C-D )</b>	<b>129.82</b>	<b>300.06</b>	<b>340.34</b>	<b>464.67</b>	<b>1,137.80</b>
<b>F. Represented by</b>					
Equity Share Capital	131.95	299.40	315.40	398.65	770.15
Share Premium	-	10.00	10.00	38.25	551.00
Calls in Advance/(Arrears)	0.10	(14.40)	(7.50)		
Reserves & Surplus	(0.63)	6.26	23.24	72.06	(150.43)
<b>Total</b>	<b>131.42</b>	<b>301.26</b>	<b>341.14</b>	<b>508.96</b>	<b>1,170.72</b>
Less : - Miscellaneous Expenditure not w/off	1.60	1.20	0.80	44.29	32.92
<b>G. Net Worth</b>	<b>129.82</b>	<b>300.06</b>	<b>340.34</b>	<b>464.67</b>	<b>1,137.80</b>

**SUMMARY STATEMENT OF PROFIT AND LOSS, AS RESTATED***(₹ in Lacs)*

Particulars	For the Year / Period Ended				
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
<b>Income</b>					
<b>Sales &amp; Operating Incomes</b>					
<b>Export Income</b>					
Income from Operations	42.00	203.80	553.51	623.46	338.31
Other Income	0.35	0.22	0.81	1.11	49.99
<b>Total Income</b>	<b>42.35</b>	<b>204.02</b>	<b>554.32</b>	<b>624.57</b>	<b>388.30</b>
<b>Expenditure</b>					
Operating & Other Administrative Expenses	15.15	116.26	260.19	291.64	361.37
Advertising & Business Promotion Expenses	3.74	18.40	134.76	91.52	123.17
Personnel Cost	16.78	49.64	107.02	95.40	128.29
<b>Total Operating Expenses</b>	<b>35.67</b>	<b>184.30</b>	<b>501.97</b>	<b>478.56</b>	<b>612.83</b>
<b>PBDIT</b>	<b>6.68</b>	<b>19.72</b>	<b>52.35</b>	<b>146.01</b>	<b>(224.53)</b>
Less: Interest Cost	0.00	1.78	12.31	12.94	1.36
<b>PBDT</b>	<b>6.68</b>	<b>17.94</b>	<b>40.04</b>	<b>133.07</b>	<b>(225.89)</b>
Less: Depreciation	6.37	6.80	11.41	58.39	95.83
<b>PBT</b>	<b>0.31</b>	<b>11.14</b>	<b>28.63</b>	<b>74.68</b>	<b>(321.72)</b>
<b>Add / ( Less ) : Provision for Tax</b>					
Current Tax	0.02	1.15	3.95	22.79	0.00
Fringe Benefit Tax	0.54	0.81	1.75	0.00	0.00
Deferred Tax Liability	0.39	2.29	4.90	(0.39)	(99.41)
<b>Profit After Tax but Before Extra ordinary Items</b>	<b>(0.63)</b>	<b>6.89</b>	<b>18.03</b>	<b>52.28</b>	<b>(222.31)</b>
<b>Extraordinary items</b>				(2.75)	
<b>Profit or Loss after Tax</b>	<b>(0.63)</b>	<b>6.89</b>	<b>18.03</b>	<b>49.53</b>	<b>(222.31)</b>
<b>Effect of material restatement (Gratuity)</b>			<b>1.05</b>	<b>0.71</b>	<b>0.18</b>
<b>PAT after Restatement</b>			<b>16.98</b>	<b>48.82</b>	<b>(222.49)</b>
<b>Balance brought forward from previous year</b>	<b>0.00</b>	<b>(0.63)</b>	<b>6.26</b>	<b>23.24</b>	<b>72.06</b>
<b>Net Profit Available for Appropriation</b>	<b>(0.63)</b>	<b>6.26</b>	<b>23.24</b>	<b>72.06</b>	<b>(150.43)</b>
<b>Balance carried forward as restated</b>	<b>(0.63)</b>	<b>6.26</b>	<b>23.24</b>	<b>72.06</b>	<b>(150.43)</b>

**SUMMARY STATEMENT OF CASH FLOW:**

(₹ in Lacs)

Particulars		As at				
		31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
<b>A</b>	<b>Cash Flow from Operating Activities</b>					
	Profit before tax, as restated	0.31	11.14	28.63	74.68	(321.72)
	Adjustments for					
	Depreciation	6.37	6.80	11.41	58.39	95.83
	Interest	0.00	1.78	12.31	12.94	1.36
	Misc. Expenditure Written Off	0.40	0.40	0.40	11.37	11.37
	Effect of Restatement			(1.05)	(0.71)	(0.18)
	<b>Operating Income before working capital changes</b>	<b>7.09</b>	<b>20.12</b>	<b>51.70</b>	<b>156.67</b>	<b>(213.34)</b>
	<b>Adjustments for:</b>					
	Decrease/(Increase) in Sundry Debtors	(42.00)	0.00	(54.00)	(45.02)	46.67
	Decrease/(Increase) in Loans & Advances	(5.82)	(255.68)	(147.69)	45.65	(37.13)
	Increase/(Decrease) in Current Liabilities	5.33	17.96	185.75	24.85	(18.40)
	Increase/(Decrease) in Provisions	0.55	1.30	6.32	17.58	(23.81)
	<b>Cash Generated from Operations</b>	<b>(34.85)</b>	<b>(216.30)</b>	<b>42.08</b>	<b>199.73</b>	<b>(246.02)</b>
	Direct Taxes (Net)	0.56	1.96	5.70	22.79	0.00
	<b>Net Cash Flow from Operating Activities</b>	<b>(35.41)</b>	<b>(218.26)</b>	<b>36.38</b>	<b>176.94</b>	<b>(246.02)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>					
	Purchase of Fixed Assets	(54.56)	(50.52)	(32.39)	(142.24)	(1112.75)
	Decrease/(Increase) in Capital WIP		0.00	0.00	(275.93)	196.00
	Profit/(Loss) on sales of fixed assets		0.00	0.00	(2.75)	0.00
	Preliminary Expenses Paid	(2.00)			(54.87)	0.00
	<b>Net Cash used from Investing Activities</b>	<b>(56.56)</b>	<b>(50.52)</b>	<b>(32.39)</b>	<b>(475.79)</b>	<b>(916.75)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>					
	- Share Capital	131.95	167.45	16.00	83.25	371.50
	- Share Premium	0.00	10.00	0.00	28.25	512.75
	- Calls in Advance/Calls in Arrears	0.10	(14.50)	6.90	7.50	
	Change in the Borrowings					
	Secured Loans	0.00	0.00	0.00	0.00	0.00
	Unsecured Loans	0.00	70.50	(15.78)	216.53	259.14
	Interest Paid	0.00	(1.78)	(12.31)	(12.94)	(1.36)
	<b>Net Cash Flow from Financing Activities</b>	<b>132.05</b>	<b>231.67</b>	<b>(5.19)</b>	<b>322.59</b>	<b>1142.03</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>40.08</b>	<b>(37.11)</b>	<b>(1.20)</b>	<b>23.74</b>	<b>(20.74)</b>
	<b>Cash &amp; Cash Equivalents at Beginning of the Year</b>	<b>0.00</b>	<b>40.08</b>	<b>2.97</b>	<b>1.77</b>	<b>25.51</b>
	<b>Cash &amp; Cash Equivalents at End of the Year</b>	<b>40.08</b>	<b>2.97</b>	<b>1.77</b>	<b>25.51</b>	<b>4.77</b>

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'.
2. Previous year's figures have been regrouped / rearranged /recasted wherever necessary to make them comparable with those of current year.

## THE ISSUE

<b>Equity Shares offered:</b>	
<b>Public Issue of Equity Shares by our Company</b>	45,00,000 Equity Shares
<i>Of which<sup>1</sup></i>	
<b>1. Qualified Institutional Buyers portion (QIBs)</b>	QIB Portion of not more than 22,50,000 Equity Shares constituting not more than 50% of the Issue
<i>Of which</i>	
Mutual Fund Portion	1,12,500 Equity Shares
Balance for all QIBs Portion	21,37,500 Equity Shares
<b>2. Non-Institutional Portion</b>	6,75,000 Equity Shares constituting not less than 15% of the Issue
<b>3. Retail Portion</b>	15,75,000 Equity Shares constituting not less than 35% of the Issue
<b>Equity Shares outstanding prior to the Issue</b>	77,01,500 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	1,22,01,500 Equity Shares
<b>Use of Issue proceeds</b>	Please refer to the chapter titled ' <i>Objects of the Issue</i> ' beginning on page 31 of the Draft Red Herring Prospectus.

<sup>1</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. Under-subscription, if any, in any category would be allowed to be met with spill over from any other category at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange; and in accordance with applicable laws, rules, regulations and guidelines, subject to valid bids being received at or above the Issue Price. For more information, please refer to chapter titled 'Issue Procedure' beginning on page 138 of the Draft Red Herring Prospectus.

## GENERAL INFORMATION

Our Company was incorporated as ‘Times Academy Limited’ under the Companies Act pursuant to Certificate of Incorporation dated June 01, 2006 bearing CIN U80301DL2006PLC149375 of 2006-07 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company received its certificate for Commencement of Business on September 29, 2006. Our corporate identification number is U80301DL2006PLC149375.

Our Company is promoted by Mr. Rahul Beri and Mr. Sanjay Bakliwal. For details of changes to our Registered Office, please refer to the chapter titled ‘History and Certain Corporate Matters’ beginning on page 65 of the Draft Red Herring Prospectus.

### Registered Office of our Company:

#### Times Academy Limited

A-39, Kailash Colony, New Delhi -110 048

**Tel No:** +91 11 6466 4657

**Fax No:** +91 11 4657 4657

**Email:** [ipo@times.edu.in](mailto:ipo@times.edu.in)

**Website:** [www.times.edu.in](http://www.times.edu.in)

For details of changes in the address of our Registered Office please refer to the chapter titled ‘History and Certain Corporate Matters’ beginning on page 65 of the Draft Red Herring Prospectus.

Our Company is registered with the Registrar of Companies, National Capital Territory of Delhi and Haryana with corporate identification number U80301DL2006PLC149375.

### Registrar of Companies:

#### Registrar of Companies, National Capital Territory of Delhi and Haryana

4<sup>th</sup> Floor, IFCI Tower

61, Nehru Place,

New Delhi – 110 019.

**Tel No:** +91 11 2623 5703, 2623 5704

**Fax No:** + 91 11 2623 5702

**Email:** [roc.delhi@mca.gov.in](mailto:roc.delhi@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### Our Board of Directors:

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

Sr. No.	Name, Designation and Occupation	Age (in years)	DIN	Address
1.	<b>Mr. Rahul Beri</b>  <i>Designation:</i> Chairman and Managing Director <i>(Executive and Non Independent)</i>  <i>Occupation:</i> Business	33	00380495	E11, Ganesh Nagar Pandav Nagar Complex, New Delhi - 110 092.
2.	<b>Mr. Regi George</b>  <i>Designation:</i> Whole Time Director <i>(Executive and Non Independent)</i>  <i>Occupation:</i> Business	56	03294804	E-242, 3 <sup>rd</sup> Floor, Greater Kailash, New Delhi – 110 048.



Sr. No.	Name, Designation and Occupation	Age (in years)	DIN	Address
3.	Mrs. Meera S. Korde  <i>Designation: Director (Non Executive and Independent)</i>  <i>Occupation: Business</i>	63	03322567	House No. 104 Building No. B-2 Saket Complex Thane - 400 601.
4.	Mr. Yashpal Saini  <i>Designation: Director (Non Executive and Independent)</i>  <i>Occupation: Professional</i>	50	03268741	C-27, Chandan Nagar Ghaziabad Uttar Pradesh – 201 011.
5.	Mr. Deepak Mhatre  <i>Designation: Director (Non Executive and Independent)</i>  <i>Occupation: Service</i>	27	3624860	At-Vayal, Post-Chowk Taluka – Khalapur District Raigad – 410 206.

For detailed profile of our Directors, please refer to the chapter titled 'Our Management' beginning on page 68 of the Draft Red Herring Prospectus.

#### Company Secretary

**Ms. Bhakti Khanna**

**Times Academy Limited**

A-39, Kailash Colony, New Delhi -110 048

**Tel. No.:** +91 11 6466 4657

**Fax No.:** +91 11 4657 4657

**Email:** [ipo@times.edu.in](mailto:ipo@times.edu.in)

**Website:** [www.times.edu.in](http://www.times.edu.in)

#### Compliance Officer

**Mr. Omprakash Tiwari**

**Times Academy Limited**

A-39, Kailash Colony, New Delhi -110 048

**Tel. No.:** +91 11 6466 4657

**Fax No.:** +91 11 4657 4657

**Email:** [ipo@times.edu.in](mailto:ipo@times.edu.in)

**Website:** [www.times.edu.in](http://www.times.edu.in)

Investors may contact our Company Secretary and 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 refunds.

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs or the Syndicate / Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations), giving full details such as name and address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch of the

**SCSBs or details of the Syndicate / Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations) where the ASBA Form was submitted by the ASBA Bidders.**

**Book Running Lead Manager:**

**Unicon Capital Services Private Limited**

3rd Floor, 'A' wing, Vilco Center,  
8, Subhash Road, Vile Parle (East),  
Mumbai – 400 057, Maharashtra

Tel No: +91 - 22 - 3390 1234

Fax No: +91- 22 - 3390 1547

**Website:** [www.uniconindia.in](http://www.uniconindia.in)

**Email:** [mb@unicon.in](mailto:mb@unicon.in)

**Investor Grievance ID:** [investors@unicon.in](mailto:investors@unicon.in)

**Contact Person:** Mr. Pritam Pandya / Mr. Ganesh Hadvale

**SEBI Registration No:** INM000011609

**Registrar to the Issue:**

**Sharepro Services (India) Private Limited**

13AB, Samhita Warehousing Complex  
Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road,  
Sakinaka, Andheri (East),  
Mumbai - 400 072

Maharashtra, India

**Tel No:** +91 22 6191 5402 /5404

**Fax No:** +91 22 6191 5444

**Website:** [www.shareproservices.com](http://www.shareproservices.com)

**Email:** [times.ipo@shareproservices.com](mailto:times.ipo@shareproservices.com)

**Contact Person:** Mr. Subhash Dhingreja

**SEBI Registration No:** INR000001476

**Legal Advisor to the Issue:**

**Mr. M.A. Khan**

Advocate

285, Shaheed Bhagat Singh Road,  
Office No. 14, Sucheta Niwas,  
Fort, Mumbai – 400 001.

**Tel No:** +91 2262 5868

**Email:** [ma786khan@gmail.com](mailto:ma786khan@gmail.com)

**Contact Person:** Mr. M.A. Khan

**Bankers to our Company:**

**HDFC Bank Limited**

D-9, South Extension, Part-II,  
New Delhi – 110 049.

**Tel No:** +91 11 4165 2305/06

**Fax No:** +91 4165 2307

**Email:** [samrat.bhagat@hdfcbank.com](mailto:samrat.bhagat@hdfcbank.com)

**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)

**Contact Person:** Mr. Samrat Bhagat

**State Bank of India**

16, Community Centre,  
Greater Kailash I,  
New Delhi – 110 048.

**Tel No:** +91 11 2924 7685

**Fax No:** +91 11 2924 8159

**Email:** [sbi.01078@sbi.co.in](mailto:sbi.01078@sbi.co.in)

**Website:** [www.statebankofindia.com](http://www.statebankofindia.com)

**Axis Bank Limited**

Vardhaman Chambers Co-Op.Society,  
Plot No-84, Sector-17,  
Vashi, Navi Mumbai – 400 705.

**Tel No:** +91 22 6629 9800

**Fax No:** +91 22 2766 0068

**Email:** [debopam.saha@axisbank.com](mailto:debopam.saha@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

**Contact Person:** Mr. Debopam Saha

**Oriental Bank of Commerce**

Hemkunt Chamber,  
89, Nehru Place,  
New Delhi – 110 019.

**Tel No:** +91 11 2629 6441/2629 6443

**Fax No:** +91 2641 7810

**Email:** [bm0217@obc.co.in](mailto:bm0217@obc.co.in)

**Website:** [www.obcindia.co.in](http://www.obcindia.co.in)

**Contact Person:** Mr. H.C. Narang

**Bankers to the Issue / Escrow Collection Bank(s):**

The Bankers to the Issue shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

**Syndicate Member(s):**

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

**Self Certified Syndicate Banks:**

The SCSBs are as per the updated list available on SEBI's website <http://www.sebi.gov.in/pmd/scsb.html>

**Refund Banker(s):**

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

**Statutory Auditors to our Company:**

**M/s. Nayak Rath & Associates,**

**Chartered Accountants**

269, Ground Floor, Bank Enclave  
New Delhi – 110 092.

**Tel No:** +91 11 2625 1882

**Fax No.:** +91 11 4657 8213

**Email:** [r.nayak.ca@gmail.com](mailto:r.nayak.ca@gmail.com)

**Contact Person:** Mr. Rashmiranjan Nayak

**Membership No:** 504657

**Firm Registration Number:** 021051N

**Independent Auditor (Peer Review Certified) to our Company**

**M/s. L.T. Jadav & Co.**

**Chartered Accountants**

601, Madhuban, 6<sup>th</sup> Floor  
T.P.S. Road, Borivali (West)  
Mumbai – 400 092.

**Tel No:** +91 22 2899 1344/0515

**Fax No:** +91 22 2682 4516

**Email:** [lalitjadav51@yahoo.co.in](mailto:lalitjadav51@yahoo.co.in)

**Contact Person:** Lalit Jadav

**Membership No:** 037240

**Firm Registration No:** 118218W

### Statement of responsibilities:

Unicon Capital Services Private Limited is the sole BRLM to the Issue and shall be responsible for the following activities:

Sr. No.	Activity
1.	Capital structuring with the relative components and formalities such composition of debt and equity, type of instruments, etc.
2.	Conducting a Due diligence of our Company's operations / management / business plans / legal, etc. Drafting and designing the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus. Ensuring compliance with the SEBI (ICDR) Regulations, 2009 and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges (pre-issue), RoC and SEBI.
3.	Primary co-ordination with SEBI, RoC and Stock Exchanges up to bidding and coordinating interface with lawyers for agreements.
4.	Appointment of the Registrar, Bankers to the issue and appointment of other intermediaries viz. printers and advertising agency
5.	Primary coordination of drafting/proofing of the design of the Prospectus, bid forms including memorandum containing salient features of the Prospectus with the printers. Primary coordination of the drafting and approving the statutory advertisement.
6.	Drafting and approving all publicity material other than statutory advertisement as mentioned in (4) above including corporate advertisement, brochure, etc.
7.	Retail and HNI segment Marketing, Which will cover <i>inter alia</i> : <ul style="list-style-type: none"> <li>Preparation of road show presentation.</li> <li>Finalising centres for holding Brokers' conference</li> <li>Finalising media, marketing and PR Strategy</li> <li>Follow up on distribution of publicity and issue material including application form, brochure and deciding on quantum of issue material</li> <li>Finalising collection centres as per schedule III of SEBI (ICDR) Regulations, 2009</li> </ul>
8.	Institutional Marketing, which will cover <i>inter alia</i> : <ul style="list-style-type: none"> <li>Finalisation of list of investors.</li> <li>Finalisation of one to one meetings and allocation of institutions.</li> <li>Finalisation of presentation material</li> </ul>
9.	Managing Book and co-ordination with stock Exchanges for bidding terminals, mock trading etc
10.	Pricing and QIB allocation
11.	Follow – up with the bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
12.	The post-Issue activities for the Issue will involve essential follow up steps, which include finalizing basis of allotment / weeding out of multiple applications, the listing of instruments and dispatch of certificates/demat credits or refunds and dematerialized delivery of shares with the various agencies connected with the work such as the Registrars to the Issue and Bankers to the Issue, Self Certified Syndicate Banks, the bank handling refund business. The Lead Manager shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with our Company.

### Credit Rating:

This being an issue of Equity Shares, there is no requirement of credit rating for the Issue.

### IPO Grading Agency

[●]

### IPO Grading:

This Issue has been graded by [●], and has been assigned the “IPO Grade [●]” indicating [●] through its letter dated [●], which is valid for a period of [●] months. The IPO grading is assigned on a five point scale from 1 to 5 wherein an “IPO Grade 5” indicates strong fundamentals and “IPO Grade 1” indicates poor fundamentals.

A copy of the report provided by [●], furnishing the rationale for its grading, will be annexed to the Red Herring Prospectus and will be made available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on working days from the date of filing of the Red Herring Prospectus, until the Bid/Issue Closing Date.

### **Expert Opinion:**

Except for the report of [●] in respect of the IPO Grading of this Issue and the reports of the Peer Review Certified Auditor of our Company on the restated financial statements, included in the Draft Red Herring Prospectus, our Company has not obtained any expert opinions.

### **Trustees:**

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

### **Appraisal and Monitoring Agency:**

The objects of the Issue have not been appraised by any agency. The Objects of the Issue and means of finance, therefore, are based on internal estimates of our Company. As the net proceeds of the Issue will be less than ₹ 50,000 lacs, under the sub-regulation (1) of Regulation 16 of SEBI (ICDR) Regulations, 2009 it is not required that a monitoring agency be appointed by our Company.

However, as per the Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the corporate governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

### **Book Building Process:**

Book Building refers to the process of collection of Bids made by the investors on the basis of the Red Herring Prospectus. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager, after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

1. Our Company;
2. BRLM, in this case being Unicon Capital Services Private Limited;
3. Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with the Stock Exchange(s) and eligible to act as underwriters. Syndicate members are appointed by the BRLM;
4. Registrar to the issue, in this case being Sharepro Services (India) Private Limited;
5. Banker(s) to the issue, Refund Bank(s); and
6. Self Certified Syndicate Banks.

This Issue is being made in compliance with Regulation 26(1) of the SEBI ICDR Regulations and through the Book Building Process. In accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall be not less than 1,000.

This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the SCRR and SEBI ICDR Regulations. The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"). 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allotment to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allotment to Retail Individual Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines, subject to valid Bids being received at or above the Issue Price. For further details, please refer to the chapter titled '*Issue Procedure*' beginning on page 138 of the Draft Red Herring Prospectus.

Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all non- retail Investors i.e. QIBs and Non Institutional Investors are mandatorily required to utilise the ASBA facility to submit their Bids and participate in this Issue. For further details please refer to the chapter titled '*Issue Procedure*' beginning on page 138 of the Draft Red Herring Prospectus.

Attention of all QIBs is specifically drawn to the fact that all QIBs are required to pay the entire Bid Amount at the time of the submission of the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion are not allowed to withdraw their Bids after the QIB Bid Closing Date. Further, allocation to QIBs will be on a proportionate basis. For further details, please refer to the chapter titled '*Terms of the Issue*' and '*Issue Procedure*' beginning on pages 133 and 138 respectively, of the Draft Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure subscriptions to this Issue.

**The Book Building Process is subject to change from time to time and investors are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Issue.**

#### **Steps to be taken by the Bidders for making a Bid or application in this Issue:**

1. Check eligibility for making a bid (for further details, please refer to the chapter titled '*Issue Procedure*' beginning on page 138 of the Draft Red Herring Prospectus). Specific attention of ASBA Bidders is invited to the chapter titled '*Issue Procedure*' beginning on page 138 of the Draft Red Herring Prospectus;
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form, as the case may be;
3. Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
4. Ensure that you have mentioned your PAN in the Bid cum Application Form or ASBA Form (for further details, please refer to the chapter titled '*Issue Procedure*' beginning on page 138 of the Draft Red Herring Prospectus). Bidders are specifically requested not to submit their GIR number instead of the PAN as the Bid is liable to be rejected on this ground;
5. Ensure the correctness of your Demographic Details (as defined under the paragraph titled '*Bidder's Depository Account Details*', in chapter titled '*Issue Procedure*' beginning on page 138 of the Draft Red Herring Prospectus), given in the Bid cum Application Form, and the details recorded with your Depository Participant; and
6. Bids by ASBA Bidders have to be submitted to the SCSBs at the Designated Branches or members of the syndicate (at ASBA Bidding Locations). ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSBs to ensure that their ASBA Form is not rejected.

#### **Illustration of Book Building and Price Discovery Process**

*(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)*

Bidders (including ASBA Bidders) can bid at any price within the price band. For instance, assuming a price band of ₹ 200 to ₹ 240 per share, an issue size of 3,000 equity shares and receipt of five bids from Bidders details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) and the NSE ([www.nseindia.com](http://www.nseindia.com)) during the bidding period. The illustrative book shown below shows the demand for the shares at various prices and is collated from bids from various investors.

<b>Number of equity shares Bid for</b>	<b>Bid Price (₹)</b>	<b>Cumulative Equity Shares Bid for</b>	<b>Subscription</b>
500	240	500	16.67%
1,000	230	1,500	50.00%

Number of equity shares Bid for	Bid Price (₹)	Cumulative Equity Shares Bid for	Subscription
1,500	220	3,000	100.00%
2,000	210	5,000	166.67%
2,500	200	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at which the book cuts off, i.e., ₹ 220 in the above example. The Issuer, in consultation with the BRLM will finalize the issue price at or below such cut off price, i.e. at or below ₹ 220. All bids at or above this issue price and cut off bids by Retail Individual Bidders are valid bids and are considered for allocation in the respective categories.

#### **Bid/Issue Program:**

##### **Bidding /Issue Period:**

<b>BID/ISSUE OPENS ON</b>	[●]
<b>BID/ISSUE CLOSES ON (QIB BIDDERS) *</b>	[●]
<b>BID/ISSUE CLOSES ON (EXCEPT QIB BIDDERS)</b>	[●]

*\*Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date subject to the Bid/Issue period being for a minimum of three Working Days.*

Bids and any revision in Bids shall be accepted only between 10 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid / Issue Period as mentioned above at the Bidding Centres mentioned on the Bid cum Application Form or in case of Bids submitted through ASBA Form, the Designated Branches or the Syndicate/Sub-syndicate members (at ASBA Bidding Locations) except that on the Bid / Issue Closing Date (which for the QIBs may be a day prior to that of the other Bidders), the Bids shall be accepted only between 10 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded till (i) 4.00 p.m. in case of Bids by QIBs, (ii) until 4.00 p.m. in case of Bids by Non Institutional Bidders, and (iii) until 5.00 p.m. in case of Bids by Retail Individual Bidders, which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLM to the Stock Exchanges within half an hour of such closure.

Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one Working Day prior to the Bid / Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are requested to note that due to clustering of last day applications, as is typically experienced in public offerings, some Bids may not get uploaded on the last date. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids not uploaded in the book would be rejected. If such Bids are not uploaded, our Company, BRLM, Syndicate Members, Sub-syndicate members and the SCSBs will not be responsible. Bids will be accepted only on Working Days. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the NSE and the BSE.

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

All times mentioned in this Draft Red Herring Prospectus are Indian Standard Time.

Our Company in consultation with the BRLM reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI ICDR Regulations, provided that the Cap Price is less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least two Working Days before the Bid /Issue Opening Date.

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

#### **Withdrawal of the Issue:**

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Bid / Issue Opening Date, but prior to allotment, without assigning any reason thereof. In such an event, it shall issue a public notice, within 2 days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where, the pre-Issue advertisement had appeared. The Stock Exchanges where the specified securities were proposed to be listed shall also be informed promptly.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

In terms of the SEBI ICDR Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the QIB Bid / Issue Closing Date.

If our Company withdraws the Issue and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus with SEBI.

### Underwriting Agreement:

After the determination of the Issue Price but prior to filing of the Prospectus with RoC, we intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that the Syndicate Member(s) do not fulfil their underwriting obligations. The underwriting shall be to the extent of the bids procured by each Underwriter, including through its respective syndicates/sub-syndicates. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions, as specified therein.

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

Name and address of the Underwriter(s)	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ lacs)
<b>Unicon Capital Services Private Limited</b> 3 <sup>rd</sup> Floor, 'A' wing, Vilco Center, 8, Subhash Road, Vile Parle (East), Mumbai – 400 057, Maharashtra. Tel No: +91 - 22 - 3390 1234 Fax No: +91- 22 - 3390 1547 <b>Website:</b> <a href="http://www.uniconindia.in">www.uniconindia.in</a> <b>Email:</b> <a href="mailto:mb@unicon.in">mb@unicon.in</a> <b>Investor Grievance ID:</b> <a href="mailto:investors@unicon.in">investors@unicon.in</a> <b>Contact Person:</b> Pritam Pandya / Ganesh Hadvale <b>SEBI Registration No:</b> INM000011609	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]

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

The above mentioned amount is an indicative underwriting and would be finalised after the determination of the Issue Price and actual Allocation of the Equity Shares. The above underwriting agreement is dated [•] and has been approved by the Board of Directors on [•].

In the opinion of the Board of Directors of our Company (based on a certificate given by the Underwriters), the resources of all the above mentioned Underwriter(s) are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriter(s) are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

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



The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Issue. The underwriting agreement shall list out the role and obligations of each Syndicate Member.

## CAPITAL STRUCTURE

The share capital of our Company as on the date of the Draft Red Herring Prospectus and after giving effect to the Issue, is set forth below:

(₹ in lacs)			
No.	Particulars	Aggregate Nominal Value	Aggregate value at Issue Price
<b>A</b>	<b>Authorised Share Capital</b>		
	1,30,00,000 Equity Shares	13,00,00,000	
<b>B</b>	<b>Issued, Subscribed and Paid Up Share Capital before the Issue</b>		
	77,01,500 Equity Shares	7,70,15,000	
<b>C</b>	<b>Present Issue to the Public in terms of the Draft Red Herring Prospectus<sup>(a)</sup></b>		
	45,00,000 Equity Shares <sup>(b)</sup>	4,50,00,000	[●]
<b>D</b>	<b>Issued, Subscribed and Paid Up Share Capital after the Issue</b>		
	1,22,01,500 Equity Shares	12,20,15,000	
<b>E</b>	<b>Share Premium Account</b>		
	Before the Issue	5,51,00,000	
	After the Issue		[●]

a) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 30, 2011 and by the shareholders of our Company vide a special resolution passed pursuant to section 81(1A) of the Companies Act at the EGM held on August 25, 2011.*

b) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any portion would be met with spillover from other categories, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders and Retail Bidders shall be on a proportionate basis.*

### NOTES TO CAPITAL STRUCTURE

#### 1. Details of Increase in Authorized Share Capital

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Increase/Modification	Cumulative No. of Equity Shares	Cumulative No. of Preference Shares	Cumulative Authorised Capital (₹)	Date of Meeting	Whether AGM / EGM
Incorporation	5,00,000	5,00,000	1,00,00,000	--	--
Increase from ₹ 100 Lacs to ₹ 350 Lacs	30,00,000	5,00,000	3,50,00,000	17.01.2007	EGM
Increase from ₹ 350 Lacs to ₹ 550 Lacs	50,00,000	5,00,000	5,50,00,000	19.02.2008	EGM
Resclassification of the Preference Share Capital into Equity Share Capital	55,00,000	--	5,50,00,000	02.03.2009	EGM
Increase from ₹ 550 Lacs to ₹ 1,000 Lacs	1,00,00,000		100000000	02.07.2010	EGM
Increase from ₹ 1000 Lacs to ₹ 1,300 Lacs	1,30,00,000		13,00,00,000	25.08.2011	EGM

## 2. History of Equity Share Capital of our Company:

Date of Allotment/ Fully Paid up	Number of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Consideration	Remarks	Cumulative No. of Equity Shares	Cumulative Paid up Share Capital (₹)	Cumulative Share Premium (₹)
June 01, 2006 <sup>@</sup>	2,00,000	10	10	Cash	Subscribers to Memorandum <sup>(1)</sup>	200000	2000000	Nil
February 26, 2007 <sup>@</sup>	1,50,000	10	10	Cash	Further Allotment <sup>(2)</sup>	350000	3500000	Nil
February 26, 2007 <sup>@</sup>	22,89,000	10	10	Cash	Further Allotment <sup>(3)</sup>	2639000	26390000	Nil
November 20, 2007	2,50,000	10	14	Cash	Further Allotment <sup>(4)</sup>	2889000	28890000	1000000
February 20, 2008	1,05,000	10	10	Cash	Further Allotment <sup>(5)</sup>	2994000	29940000	1000000
February 2, 2009	1,60,000	10	10	Cash	Further Allotment <sup>(6)</sup>	3154000	31540000	1000000
May 11, 2009	2,25,500	10	10	Cash	Further Allotment <sup>(7)</sup>	3379500	33795000	1000000
June 15, 2009	30,000	10	10	Cash	Further Allotment <sup>(8)</sup>	3409500	34095000	1000000
January 14, 2010	12,000	10	10	Cash	Further Allotment <sup>(9)</sup>	3421500	34215000	1000000
March 11, 2010	5,65,000	10	15	Cash	Further Allotment <sup>(10)</sup>	3986500	39865000	3825000
May 14, 2010	5,25,000	10	15	Cash	Further Allotment <sup>(11)</sup>	4511500	45115000	6450000
July 31, 2010	21,00,000	10	15	Cash	Further Allotment <sup>(12)</sup>	6611500	66115000	16950000
November 10, 2010	10,90,000	10	45	Cash	Further Allotment <sup>(13)</sup>	7701500	77015000	55100000

<sup>@</sup>These shares were issued as ₹ 5 paid up and were made fully paid up between April 01, 2008 to March 31, 2010 on receipt of entire first and final call money.

1. Initial allotment of 1,45,000 Equity Shares to Mr. Rahul Beri, 10,000 Equity Shares to Ms. Komal Sharma, 20,000 Equity Shares to Mr. Pravin Patel, 10,000 Equity Shares to Ms. Seema Mishra and 5,000 Equity Shares each to Mr. Devesh Dutt, Mr. Chambail Haris and Mr. Ramesh Koya all being the subscribers to the MoA of the Company.
2. Further allotment of 50,000 equity shares each to Namdeo Nana Ghorpade (HUF), Ms. Kusum Mundphan and Ms. Sarika Ghorpade.
3. Further allotment to the following:

Mr. Rahul Beri	3,80,000
Mr. Sanjay Bakliwal	50,000
Sanjay Bakliwal (HUF)	30,000
Mr. Parasmal Bakliwal	30,000
Ms. Seema Bakliwal	60,000
Ms. Shakuntala Bakliwal	30,000
Sharpmind Developers (India) Private Limited	3,00,000
Mr. Manik Mundphan	1,00,000
Manik Namdeo Mundphan (HUF)	1,00,000
Mr. Namdeo Nana Ghorpade	1,00,000

Mr. Harilal Bhansali	87,000
Mr. Kiran Kumar Bhansali	80,000
Mr. Pukhraj Bhansali	60,000
Mr. Shantilal Kavar	60,000
Mr. Chandra Prakash Pukhraj Bhansali	57,000
Mr. Anil Sanghavi	50,000
Mr. Dinesh Kumar Pukhraj Bhansali	50,000
Mr. Ram Chander Goswami	50,000
Namdeo Nana Ghorpade (HUF)	50,000
Mr. Anil Laxman Gami	50,000
Mr. Laxman Gami	50,000
Mr. Anil Kavar	46,000
Mr. Gajanand Kavar	46,000
Mr. Gautam Kavar	46,000
Mr. Sajjan Kavar	46,000
Mr. Sohanlal Kavar	46,000
Mr. Sunil Kavar	46,000
Ms Seema Mishra	40,000
Mr. Ashok Jain	35,000
Mr. Pravin Patel	30,000
Mr. Satish Kolekar	30,000
Mr. Madan Jain	12,000
Mr. Anil Garera	10,000
Ms. Mansi Garera	10,000
Mr. Akshay M. Jain	5,000
Ms. Ashika V Jain	5,000
Ms. Savita M Jain	5,000
Mr. Vivek Jain	5,000
Mr. Sudhir Kamath	1,000
Mr. Hirdesh Kumar Sachdev	1,000

4. Further allotment of 1,87,500 equity shares to Mr. Prakash Kanungo and 62,500 Equity Shares to Mr. Ashok Seth.
5. Further Allotment of 5,000 equity shares to Mr. Nilesh Patil; 20,000 equity shares to Mr. Pratik Srivastava; 30,000 equity shares to Mr. Sanjay Bakliwal and 50,000 equity shares to Ms. Anita Singh.
6. Further Allotment of 10,000 equity shares each to Ms. Seema Bakliwal, Mr. Parasmal Bakliwal, Sanjay Bakliwal HUF and Ms. Shakuntala Bakliwal; 1,20,000 equity shares to Ms. Aakriti Beri.
7. Further Allotment of 2,00,000 equity shares to Saint Paul's School (through its trustee) and 25500 equity shares to Ms. Nidhi Tomar.
8. Further Allotment of 30,000 equity shares to Mr. Rahul Beri.
9. Further Allotment of 12,000 equity shares to Mr. Rahul Beri.
10. Further Allotment of 1,00,000 equity shares to Mr. R.L. Gorania; 200000 equity shares to Amonkar Capital & Wealth Advisors Private Limited and 265000 Equity Shares to Mr. Kishore Krishna Patki.
11. Further Allotment of 2,50,000 equity shares to Mr. Ketan Rambhai Gorania and 275000 Equity Shares to Mr. Kishore Krishna Patki.
12. Further Allotment of 2,50,000 equity shares to Mr. Ketan Rambhai Gorania; 9,50,000 Equity Shares to Panther Vyapar Limited, 2,00,000 equity shares to Kaiser Capital Private Limited; 3,00,000 equity shares to Mr. R.L. Gorania and 400000 equity shares to Amonkar Capital & Wealth Advisors Private Limited.
13. Further Allotment of 2,00,000 equity shares each to Saraswati Vincom Limited and Talisman Securities Private Limited; 1,00,000 equity shares each to Mr. Mahesh Mitta, Rosy Dilcome Private Limited, Ms. Parul Piyush Shah, Ms. Poonam Sandeep Mantri and Solace Capital Services Private Limited; 50,000

equity shares to Mr. Piyush M. Shah; 25,000 equity shares each to Mr. Navin Panchlal Sawla and Mr. Ramesh Velji Shah; 10,000 equity shares each to Ajay Natvarlal Sheth (HUF), Nilesh Natvarlal Sheth (HUF), Bhavesh Natvarlal Sheth (HUF), Jayesh Natvarlal Sheth (HUF), Natvarlal Harjivan Sheth (HUF) and Ms. Indu Mahesh Shah; 5,000 equity shares each to Ms. Varsha Bagadia, Ms. Aruna Bagadia, Ms. Anjana Bagadia, Ms. Manjula Beni Gosai, Ms. Hemali Udani and Mr. Nikhil Udani.

### 3. *Equity Shares issued for consideration other than cash*

Our Company has not issued any Equity Shares for consideration other than cash.

### 4. **Details of Promoters' contribution and Lock-in**

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

#### *Details of build-up of shareholding of the Promoters and lock-in*

Name of Promoter	Date of Allotment / Transfer and made fully paid	Nature of Allotment (Bonus, Rights etc.)	No. of Shares	Face Value	Issue / Transfer Price	Consideration	% of Pre-Issue Capital	% of Post Issue Capital	Lock in Period (Years)*
Mr. Rahul Beri	01.06.2006@	Subscription to Memorandum	1,45,000	10	10	Cash	1.88%	1.19%	
	26.02.2007@	Further Allotment	3,80,000	10	10	Cash	4.93%	3.11%	
	15.06.2009	Further Allotment	30,000	10	10	Cash	0.39%	0.25%	
	14.01.2010	Further Allotment	12,000	10	10	Cash	0.16%	0.10%	
	02.04.2010	Transfer (Purchase) from Komal Sharma	10,000	10	10	Cash	0.13%	0.08%	
	02.04.2010	Transfer (Purchase) from Chambali Haris	5,000	10	10	Cash	0.06%	0.04%	
	20.05.2010	Transfer (Purchase) from Akshay Jain	5,000	10	8	Cash	0.06%	0.04%	
	20.05.2010	Transfer (Purchase) from Anil Kavar	46,000	10	8	Cash	0.60%	0.38%	
	20.05.2010	Transfer (Purchase) from Noratmal Gajanan Kavar	46,000	10	8	Cash	0.60%	0.38%	
	20.05.2010	Transfer (Purchase) from Gautam Kavar	46,000	10	8	Cash	0.60%	0.38%	
	20.05.2010	Transfer (Purchase) from Sharpmind Developers (I)P.Ltd.	3,00,000	10	8	Cash	3.90%	2.46%	
	20.05.2010	Transfer (Purchase) from Madan Jain	12,000	10	8	Cash	0.16%	0.10%	
	20.05.2010	Transfer (Purchase) from Sudhir Kamath	1,000	10	8	Cash	0.01%	0.01%	

	20.05.2010	Transfer (Purchase) from Hirdeh Sachdev	1,000	10	8	Cash	0.01%	0.01%	
	20.05.2010	Transfer (Purchase) from Ashika Jain	5,000	10	8	Cash	0.06%	0.04%	
	20.05.2010	Transfer (Purchase) from Savita Jain	5,000	10	8	Cash	0.06%	0.04%	
	20.05.2010	Transfer (Purchase) from Sajjan Kavar	46,000	10	8	Cash	0.60%	0.38%	
	20.05.2010	Transfer (Purchase) from Shantilal Kavar	60,000	10	8	Cash	0.78%	0.49%	
	20.05.2010	Transfer (Purchase) from Sohanlal Kavar	46,000	10	8	Cash	0.60%	0.38%	
	20.05.2010	Transfer (Purchase) from Sunil Kavar	46,000	10	8	Cash	0.60%	0.38%	
	20.05.2010	Transfer (Purchase) from Vivek Jain	5,000	10	8	Cash	0.06%	0.04%	
	08.06.2010	Transfer (Purchase) from Pravin Patel	50,000	10	10	Cash	0.65%	0.41%	
	08.06.2010	Transfer (Purchase) from Daves Datt	5,000	10	5	Cash	0.06%	0.04%	
	08.06.2010	Transfer (Purchase) from Aakriti Beri	1,70,000	10	10	Cash	2.21%	1.39%	
	08.06.2010	Transfer (Purchase) from SaintPaul's School	2,00,000	10	10	Cash	2.60%	1.64%	
	08.06.2010	Transfer (Purchase) from Nidhi Tomar	25,500	10	15	Cash	0.33%	0.21%	
	08.06.2010	Transfer to Seema Bakliwal	-1,15,000	10	8.75	Cash	-1.49%	-0.94%	
	08.06.2010	Transfer to Sanjay Bakliwal HUF	-1,00,000	10	8.75	Cash	-1.30%	-0.82%	
	08.06.2010	Transfer to Shakuntla Bakliwal	-60,000	10	8.75	Cash	-0.78%	-0.49%	
	08.06.2010	Transfer to Parasmal Bakliwal	-60,000	10	8.75	Cash	-0.78%	-0.49%	
	08.06.2010	Transfer to Sanjay Bakliwal	-7,00,000	10	8.75	Cash	-9.09%	-5.74%	
	<b>Total (A)</b>		<b>6,67,500</b>				<b>8.67%</b>	<b>5.47%</b>	<b>3 Years</b>
Mr. Sanjay Bakliwal	26.02.2007@	Further Allotment	50,000	10	10	Cash	0.65%	0.41%	

	20.02.2008	Further Allotment	30,000	10	10	Cash	0.39%	0.25%	
	21.07.2008	Transfer (Purchase) from Sarika Ghorpade	25,000	10	10	Cash	0.32%	0.20%	
	02.02.2009	Transfer (Purchase) from Satish Kolekar	30,000	10	10	Cash	0.39%	0.25%	
	11.05.2009	Transfer (Purchase) from Kusum Mundphan	25,000	10	10	Cash	0.32%	0.20%	
	11.05.2009	Transfer (Purchase) from Seema Bakliwal	70,000	10	10	Cash	0.91%	0.57%	
	11.05.2009	Transfer (Purchase) from Manik Namdeo Mundphan	25,000	10	10	Cash	0.32%	0.20%	
	11.05.2009	Transfer (Purchase) from Manik Namdeo Mundphan(HUF)	30,000	10	10	Cash	0.39%	0.25%	
	04.09.2009	Transfer (Purchase) from Ashok Jain	35,000	10	8	Cash	0.45%	0.29%	
	11.03.2010	Transfer (Purchase) from Anil Laxman Gami	50,000	10	7	Cash	0.65%	0.41%	
	11.03.2010	Transfer (Purchase) from Laxman Gami	50,000	10	7	Cash	0.65%	0.41%	
	02.04.2010	Transfer (Purchase) from Hiralal Bhansali	87,000	10	8	Cash	1.13%	0.71%	
	02.04.2010	Transfer (Purchase) from Namdeo Nana Ghorpade(HUF)	25,000	10	10	Cash	0.32%	0.20%	
	02.04.2010	Transfer (Purchase) from Ashok Seth	1,000	10	8	Cash	0.01%	0.01%	
	02.04.2010	Transfer to Vikas Jain	-10,000	10	15	Cash	-0.13%	-0.08%	
	14.05.2010	Transfer (Purchase) from Namdeo Nana Ghorpade (HUF)	25,000	10	10	Cash	0.32%	0.20%	
	20.05.2010	Transfer (Purchase) from Dineshkumar Bhansali	50,000	10	8	Cash	0.65%	0.41%	
	20.05.2010	Transfer (Purchase) from Chandraprakash Bhansali	57,000	10	8	Cash	0.74%	0.47%	

	20.05.2010	Transfer (Purchase) from Kirankumar Bhansali	80,000	10	8	Cash	1.04%	0.66%	
	20.05.2010	Transfer (Purchase) from Pukhraj Bhansali	60,000	10	8	Cash	0.78%	0.49%	
	20.05.2010	Transfer (Purchase) from Prakash Kanugo	1,88,000	10	8	Cash	2.44%	1.54%	
	20.05.2010	Transfer (Purchase) from Ashok Seth	61,000	10	8	Cash	0.79%	0.50%	
	04.09.2009	Transfer (Purchase) from Pratik Srivastav	10,000	10	10	Cash	0.13%	0.08%	
	11.05.2009	Transfer (Purchase) from Suresh Raisinghani	1,00,000	10	10	Cash	1.30%	0.82%	
	08.06.2010	Transfer (Purchase) from Namdeo Nana Ghorpade(HUF)	15,000	10	10	Cash	0.19%	0.12%	
	08.06.2010	Transfer (Purchase) from Rahul Beri	7,00,000	10	8.75	Cash	9.09%	5.74%	
	08.06.2010	Transfer to Sachin Netke	-1,000	10	15	Cash	-0.01%	-0.01%	
	08.06.2010	Transfer to Madhu Jain	-10,000	10	15	Cash	-0.13%	-0.08%	
	08.06.2010	Transfer to Vivek Bagadey	-5,000	10	15	Cash	-0.06%	-0.04%	
	08.06.2010	Transfer to Om Prakash Tiwari	-3,000	10	15	Cash	-0.04%	-0.02%	
	<b>Total (B)</b>		<b>18,50,000</b>				<b>24.02%</b>	<b>15.16%</b>	<b>3 Years</b>
	<b>Grand Total (A+B)</b>		<b>25,17,500</b>				<b>32.69%</b>	<b>20.63%</b>	<b>3 Years</b>

@These shares were issued as ₹5 paid up and were made fully paid as follows:

**Mr. Rahul Beri**

On Application ₹26.50 Lacs

On first and final call ₹26.50 Lacs as follows:

24.05.2007 ₹ 10,00,000

25.05.2007 ₹ 6,25,000

25.6.2007 ₹ 10,00,000

**Mr. Sanjay Bakliwal**

On Application ₹2.50 Lacs

On first and final call ₹2.50 Lacs on 25.06.2007

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20% of the post-Issue Equity Share Capital of our Company shall be locked in by our Promoters for a period of three (3) years from the date of Allotment (“minimum Promoters’ contribution”).



The Promoter's contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained consents from our Promoters for the lock-in of 25,17,500 Equity Shares, held by them, for a period of three years from the date of Allotment in the Issue and for lock in of the balance pre-Issue Equity Share capital of our Company, held by them, for a period of one year from the date of Allotment in the Issue. Equity Shares offered by the Promoters for the minimum Promoter's contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for three years does not consist of:

- a) equity shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- b) equity shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) equity shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.

The share certificates for the Equity Shares in physical form, 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 included in the Prospectus to be filed with the RoC.

Further, our Company has not been formed by the conversion of a partnership firm into a company.

#### **5. *Equity Shares locked-in for one year***

In addition to 20% of the post-Issue shareholding of our Company locked-in for three years as the minimum Promoters contribution, the balance Pre-Issue Paid-up Equity Share Capital, would be locked-in for a period of one year from the date of Allotment. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories. Pursuant to proviso (b) to Regulation 37 of the SEBI ICDR Regulations, Equity Shares held by VCFs or FVCIs for at least one year prior to filing of the Draft Red Herring Prospectus with SEBI would not be subject to the above lock-in.

#### **6. *Other requirements in respect of 'lock-in'***

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;
- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

## 7. Our shareholding pattern

Shareholding Pattern of our Company as per clause 35 of the listing agreement is as under:

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Shares	No. of Shares held in demat form	Total shareholding as a percentage of total number of shares	
					As a %age of (A+B)	As a %age of (A+B+C)
<b>A</b>	<b>Shareholding of Promoter and Promoter Group</b>					
1	<b>Indian</b>					
a	Individuals/Hindu Undivided Family					
	<b><u>Promoter</u></b>					
	Rahul Beri	1	6,67,500	Nil	8.67%	8.67%
	Sanjay Bakliwal	1	18,50,000	Nil	24.02%	24.02%
	<b><u>Promoter Group</u></b>					
	Seema Bakliwal	1	4,35,000	Nil	5.65%	5.65%
	Sanjay Bakliwal (HUF)	1	1,30,000	Nil	1.69%	1.69%
	Shakuntala Bakliwal	1	1,00,000	Nil	1.30%	1.30%
	Parasmal Bakliwal	1	99,000	Nil	1.29%	1.29%
	Vikas Jain	1	10,000	Nil	0.13%	0.13%
	Madhu Jain	1	10,000	Nil	0.13%	0.13%
b	Central Government /State Governments					
c	Bodies Corporate					
d	Financial Institutions/Banks					
e	Any Other					
	<b>Sub-Total (A)(1)</b>	<b>8</b>	<b>33,01,500</b>	<b>Nil</b>	<b>42.87%</b>	<b>42.87%</b>
2	<b>Foreign</b>					
a	Individuals (Non-Resident Individuals /Foreign Individuals)					
b	Bodies Corporate					
c	Institutions					
d	Any Other (Specify)					
	<b>Sub-Total (A)(2)</b>					
	<b>Total Shareholding of Promoter and Promoter Group A = (A)(1)+(A)(2)</b>	<b>8</b>	<b>33,01,500</b>	<b>Nil</b>	<b>42.87%</b>	<b>42.87%</b>
<b>B</b>	<b>Public Shareholding</b>					
1	<b>Institutions</b>					
a	Mutual Funds/UTI					
b	Financial Institutions /Banks					
c	Central Government /State Governments					
d	Venture Capital Funds					
e	Insurance Companies					
e	Foreign Institutional Investors					

g	Foreign Venture Capital Investors					
h	Any Other (Specify)					
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>Nil</b>	<b>0</b>	<b>0</b>
<b>2</b>	<b>Non-Institutions</b>					
a	<b>Bodies Corporate</b>	7	21,60,000	1850000	28.05%	28.05%
b	<b>Individuals</b>					
	i. Individual Shareholders holding nominal share capital up to ₹ 1 lac	20	1,30,000	90,000	1.69%	1.69%
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lac	21	20,50,000	13,00,000	26.62%	26.62%
<b>C</b>	<b>Any Other</b>					
	Foreign Nationals					
	Hindu Undivided Families	5	60,000	Nil	0.78%	0.78%
	Non Resident Indians					
	Overseas Corporate Bodies					
	<b>Sub-Total (B)(2)</b>					
	<b>Total Public Shareholding</b>					
	<b>B = (B)(1)+(B)(2)</b>	<b>53</b>	<b>44,00,000</b>	<b>32,40,000</b>	<b>57.13%</b>	<b>57.13%</b>
	<b>Total (A)+(B)</b>	<b>61</b>	<b>77,01,500</b>	<b>32,40,000</b>	<b>100.00%</b>	<b>100.00%</b>
	Shares held by Custodian and against which Depository Receipts have been issued	--	--	--	--	--
	<b>Grand Total (A)+(B)+(C)</b>	<b>61</b>	<b>77,01,500</b>	<b>32,40,000</b>	<b>100.00%</b>	<b>100.00%</b>

*Note: This is based on the assumption that the existing shareholders, shall continue to hold the same number of Equity Shares after the Issue. This does not include any Equity Shares that shareholders (excluding Promoters) may subscribe for and be Allotted pursuant to this Issue.*

8. Shareholding pattern of our Company before and after the Issue is as under:

Category	Pre-Issue		Post-Issue*	
	No. of Shares	% Holding	No. of Shares	% Holding
Promoters	25,17,500	32.69%	25,17,500	20.63%
Promoter Group	7,84,000	10.18%	7,84,000	6.43%
Employees & Others	3,000	0.04%	3,000	0.02%
Public	43,97,000	57.09%	88,97,000	72.92%
<b>Total</b>	<b>77,01,500</b>	<b>100.00%</b>	<b>1,22,01,500</b>	<b>100.00%</b>

*\* The above shareholding pattern is indicative, and is based on the fact that all shareholders in their respective categories will subscribe to 100% of the shares offered in their respective categories. The final Post- Issue shareholding Pattern will be determined after the Book-Building Process.*

9. The details of the shareholding of the Promoters and the Promoter Group as on the date of the Draft Red Herring Prospectus:

*(Equity Shares of Face Value of ₹10 each)*

Name of the Shareholders	Number of Equity Shares	Percentage of Pre-Issue Equity Capital	Percentage of Post – Issue Equity Capital
<b>(A) Promoters</b>			
Mr. Rahul Beri	6,67,500	8.67%	5.47%
Mr. Sanjay Bakliwal	18,50,000	24.02%	15.16%
<b>Total (A)</b>	<b>25,17,500</b>	<b>32.69%</b>	<b>20.63%</b>
<b>Promoter Group</b>			
Seema Bakliwal	4,35,000	5.65%	3.57%
Sanjay Bakliwal (HUF)	1,30,000	1.69%	1.07%

Name of the Shareholders	Number of Equity Shares	Percentage of Pre-Issue Equity Capital	Percentage of Post – Issue Equity Capital
Shakuntala Bakliwal	1,00,000	1.30%	0.82%
Parasmal Bakliwal	99,000	1.29%	0.81%
Vikas Jain	10,000	0.13%	0.08%
Madhu Jain	10,000	0.13%	0.08%
<b>Total (B)</b>	<b>7,84,000</b>	<b>10.18%</b>	<b>6.43%</b>
<b>Total (A) + (B)</b>	<b>33,01,500</b>	<b>42.87%</b>	<b>27.06%</b>

#### 10. Particulars of the top ten shareholders

(a) Particulars of the top ten shareholders as on the date of the Draft Red Herring Prospectus with SEBI.

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Sanjay Bakliwal	18,50,000	24.02%
2	Panther Vyapar Limited	9,50,000	12.34%
3	R.L.Gorania	6,75,000	8.76%
4	Rahul Beri	6,67,500	8.67%
5	Ketan Rambhai Gorania	5,00,000	6.49%
6	Seema Bakliwal	4,35,000	5.65%
7	Amonkar Capital & Wealth Advisory Pvt. Ltd.	4,10,000	5.32%
8	Saraswati Vincom Limited	2,00,000	2.60%
9	Kaiser Capital Pvt. Ltd.	2,00,000	2.60%
10	Talisman Securities Pvt. Ltd.	2,00,000	2.60%
	<b>Total</b>	<b>60,87,500</b>	<b>79.04%</b>

(b) Particulars of top ten shareholders ten days prior to the date of the Draft Red Herring Prospectus with SEBI.

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Sanjay Bakliwal	18,50,000	24.02%
2	Panther Vyapar Limited	9,50,000	12.34%
3	R.L.Gorania	6,75,000	8.76%
4	Rahul Beri	6,67,500	8.67%
5	Ketan Rambhai Gorania	5,00,000	6.49%
6	Seema Bakliwal	4,35,000	5.65%
7	Amonkar Capital & Wealth Advisory Pvt. Ltd.	4,10,000	5.32%
8	Saraswati Vincom Limited	2,00,000	2.60%
9	Kaiser Capital Pvt. Ltd.	2,00,000	2.60%
10	Talisman Securities Pvt. Ltd.	2,00,000	2.60%
	<b>Total</b>	<b>60,87,500</b>	<b>79.04%</b>

(c) Particulars of the top ten shareholders two years prior to the date of the Draft Red Herring Prospectus with SEBI.

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Rahul Beri	5,55,000	16.28%

2	Sanjay Bakliwal	3,80,000	11.15%
3	Sharpmind Developers (I)P.Ltd.	3,00,000	8.80%
4	St. Paul's School	2,00,000	5.87%
5	Prakash Kanugo	1,88,000	5.51%
6	Aakriti Beri	1,70,000	4.99%
7	Hiralal Bhansali	87,000	2.55%
8	Namdeo Nana Ghorpade(HUF)	80,000	2.35%
9	Kirankumar Bhansali	80,000	2.35%
10	Ashok Seth	62,000	1.82%
	<b>Total</b>	<b>21,02,000</b>	<b>61.65%</b>

11. None of our Directors or Key Managerial Personnel hold Equity Shares in the Company, other than as follows:

Sr. No.	Name of shareholder	Number of Equity Shares held	Pre Issue Percentage	Post Issue Percentage
<b>Directors</b>				
1.	Rahul Beri	6,67,500	8.67%	5.47%
<b>Key Managerial Personnel</b>				
2.	Om Prakash Tiwari	3,000	0.04%	0.02%

12. Our Promoters, our Promoter Group, the Directors of our Company and their immediate relatives, as defined under the SEBI ICDR Regulations, have not purchased or financed the purchase by any other person, or sold any Equity Shares, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.
13. Our Company, our Promoters, our Directors and the BRLM have not entered into any buy back, standby or similar arrangements for the purchase of Equity Shares from any person.
14. None of the BRLM or their associates hold any equity shares as on the date of the Draft Red Herring Prospectus.
15. For the details of transactions by our Company with our Promoter Group, Group Companies during the last five Fiscals i.e. 2007, 2008, 2009 and 2010 and 2011, please refer to paragraph titled “*Statement of Transactions with Related Parties, as Restated*” in the chapter titled ‘*Financial Information*’ beginning on page 91 of the Draft Red Herring Prospectus
16. As on the date of the Draft Red Herring Prospectus with the Registrar of Companies there are no outstanding Warrants, options or rights to convert debentures, loans or other financial instrument into Equity Shares.
17. As per RBI regulations, OCBs are not allowed to participate in this Issue.
18. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
19. In terms of Rule 19(2)(b)(i) of the SCRR, this Issue is for 25% of the post-Issue capital of our Company. Pursuant to the SEBI ICDR Regulations not more than 50% of the Issue shall be available for allocation to QIBs. If the minimum public shareholding requirements of Rule 19(2)(b) (i) of the SCRR cannot be met, the entire application money will be refunded by our Company forthwith.
20. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLM and the Designated Stock Exchange.
21. Oversubscription, if any, to the extent of 10% of the Issue, can be retained for the purpose of rounding off and making allotments in minimum lots, while finalising the ‘Basis of Allotment’. Consequently, the Allotment may increase by a maximum of 10% of the Issue, as a result of which the post-Issue paid-up

capital would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares to be locked-in towards the Promoter's Contribution shall be suitably increased, so as to ensure that 20% of the post-Issue paid-up capital is locked in.

22. The total number of members of our Company as on the date of the Draft Red Herring Prospectus is 61.
23. Our Company has not raised any bridge loan against the proceeds of this Issue.
24. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
25. There shall be only one denomination of Equity Shares, unless otherwise permitted by law.
26. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
27. An investor cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
28. Our Company has not revalued its assets since its incorporation and has not issued any Equity Shares out of revaluation reserves.
29. Our Company has not made any public issue since its incorporation.
30. The shares locked in by our Promoters are not pledged to any party.
31. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters or Directors to the persons who receive allotments, if any, in this Issue.
32. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees.
33. Our Promoters and the members of our Promoter Group will not participate in this Issue.
34. There has been no allotment of Equity Shares that may be at a price lower than the Issue Price within the last 12 months from the date of the Draft Red Herring Prospectus except as under:

Date of Allotment	Nature of Allotment	Name of Allottee	No. of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration
November 10, 2010	Further Allotment	Saraswati Vincom Limited	2,00,000	10	45	Cash
		Talisman Securities Private Limited	2,00,000			
		Mr. Mahesh Mitta	1,00,000			
		Rosy Dilcome Private Limited	1,00,000			
		Ms. Parul Piyush Shah	1,00,000			
		Ms. Poonam Sandeep Mantri	1,00,000			
		Solace Capital Services Private Limited	1,00,000			

Date of Allotment	Nature of Allotment	Name of Allottee	No. of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration
		Mr. Piyush M. Shah	50,000			
		Mr. Navin Panchlhal Sawla	25,000			
		Mr. Ramesh Velji Shah	25,000			
		Ajay Natvarlal Sheth (HUF)	10,000			
		Nilesh Natvarlal Sheth (HUF)	10,000			
		Bhavesht Natvarlal Sheth (HUF)	10,000			
		Jayesh Natvarlal Sheth (HUF)	10,000			
		Natvarlal Harjivan Sheth (HUF)	10,000			
		Ms. Indu Mahesh Shah	10,000			
		Ms. Varsha Bagadia	5,000			
		Ms. Aruna Bagadia	5,000			
		Ms. Anjana Bagadia	5,000			
		Ms. Manjula Beni Gosai	5,000			
		Ms. Hemali Udani	5,000			
		Mr. Nikhil Udani	5,000			

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

## SECTION IV – OBJECTS OF THE ISSUE

### OBJECTS OF THE ISSUE

The present issue is being made to raise the funds for the following purposes:

1. Expansion of business activities by setting up of new study centres at Mumbai, Bangalore, Delhi N.C.R. and Kolkata
2. Working Capital requirements
3. Brand Building
4. General Corporate Purposes
5. Meeting Public Issue expenses

The other objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on NSE and BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### Cost of Project and Means of Finance

The Cost of Project and Means of Finance as estimated by our management are given below:

#### Cost of Project

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Expansion of business activities by setting up of new study centres at Mumbai, Bangalore, Delhi N.C.R. and Kolkata	1927.38
B.	Working Capital requirements	515.67
C.	Brand Building expenses	700.00
D.	Public Issue Expenses	[●]
E.	General Corporate Purposes	[●]
<b>Total</b>		<b>[●]</b>

#### Means of Finance

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Proceeds from Initial Public Offer	[●]
<b>Total</b>		<b>[●]</b>

[●] – The relevant figure will be updated on finalization of the issue price.

The entire requirements of the objects detailed above are intended to be funded from the Issue Proceeds. 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 to be raised through the Issue.

In case the IPO does not go as planned, our Company will make alternative arrangements like availing of fresh loans from bank(s) and/or utilizing internal accruals. In case of excess funds remaining after deployment as per the Objects of the Issue, the same will be utilized for General Corporate Purposes, as detailed on page 36 of this Draft Red Herring Prospectus.

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



In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be financed by surplus funds, if any available in any other project for which funds are being raised in the Issue. If surplus funds are unavailable, the required financing will be through internal accruals, and/ or the term loans/working capital loans that may be availed from the Banks/ Financial Institutions, as required.

### Brief Details about the Project

#### (A) Expansion of business activities by setting up of new training centres at Mumbai, Bangalore, Delhi N.C.R. and Kolkata

We currently have 3 study centres which are operational. To expand our business further, we propose to set up new study centres at following locations:

1. South Mumbai
2. Bangalore
3. Delhi N.C.R.
4. Kolkata

We intend to establish these centres to supplement our existing set-up and explore business opportunities in other regions, as part of our growth strategy. The estimated cost for establishment of the offices primarily comprises expenditure on civil works, interiors, electricals, expenditures on furniture and fixtures, installation of computers, connectivity and other office equipment.

The cost of setting up new centres has been estimated as follows:

		(₹ in Lacs)
Particulars	Amount	
Establishment Cost	1,407.35	
Computer, Software and Office Automation	456.52	
Vehicles	63.51	
<b>Total</b>	<b>1927.38</b>	

#### Establishment Cost

The establishment cost has been estimated as follows:

Sr. No.	Description of Work	Quotation Nos. & Date	Name & Address of Vendor	Amount (₹ in Lacs)
	<b><u>SOUTH MUMBAI</u></b>			
1	Civil / POP/Painting Work Area 8500 Sq Ft	2010/Quotation/03-005 dt. 11/03/2011	Kenzal Enterprises, C-10, Prabhu Krupa, Zaveri Baug, Opp. Tele. Ex, Kandivali (W), Mumbai – 400 067	64.71
2	Interior & Furnishing work  Area - 8500 Sq Ft	QUO/101/2011 dt. 01/03/2011	J. P. Enterprises  A/203, Shree Sidhi, Sarvodaya Complex, Mira-Bhyander Road, Mira Road (E), Thane – 401 107	104.99
3	Electrical Work	STAR/QT/11-12/03-011 dt. 05/03/2011	Star Enterprises 402-“B” Wing, Safalya Appt., Behind Profit Centre, Mahavir Nagar, Kandivli (W), Mumbai – 400 067	13.85
	<b>Sub-Total</b>			<b>183.55</b>

	<b><u>BANGALORE</u></b>			
4	Civil / POP/Painting Work Area - 15000 Sq Ft	2011/Quotation/03-006 dt. 11/03/2011	Kenzal Enterprises, C-10, Prabhu Krupa, Zaveri Baug, Opp. Tele. Ex, Kandivali (W), Mumbai – 400 067	106.88
5	Interior & Furnishing work	QUO/102/2010 dt.01/03/2011	J. P. Enterprises	154.00
	Area - 15000 Sq Ft		A/203, Shree Sidhi, Sarvodaya Complex, Mira- Bhyander Road, Mira Road (E), Thane – 401 107	
6	Electrical Work	STAR/QT/11- 12/02-012 dt. 05/03/2011	Star Enterprises, 402-“B” Wing, Safalya Appt., Behind Profit Centre, Mahavir Nagar, Kandivli (W), Mumbai – 400 067	21.47
	<b>Sub Total</b>			<b>282.35</b>
	<b><u>N.C.R. – DELHI</u></b>			
7	Civil / POP/Painting Work Area - 20000 Sq Ft	2011/Quotation/03-007 dt. 11/03/2011	Kenzal Enterprises, C-10, Prabhu Krupa, Zaveri Baug, Opp. Tele. Ex, Kandivali (W), Mumbai – 400 067	147.20
8	Interior & Furnishing work  Area 20000 Sq Ft	QUO/103/2011 dt.01/03/2011	J. P. Enterprises  A/203, Shree Sidhi, Sarvodaya Complex, Mira- Bhyander Road, Mira Road (E), Thane – 401 107	209.05
9	Electrical Work	STAR/Quo/11- 12/03-013 dt. 05/03/2011	Star Enterprises, 402-“B” Wing, Safalya Appt., Behind Profit Centre, Mahavir Nagar, Kandivli (W), Mumbai – 400 067	27.74
	<b>Sub Total</b>			<b>383.99</b>
	<b><u>KOLKATTA</u></b>			
10	Civil / POP/Painting Work Area - 20000 Sq Ft	2011/Quotation/03-008 dt. 11/03/2011	Kenzal Enterprises, C-10, Prabhu Krupa, Zaveri Baug, Opp. Tele. Ex, Kandivali (W), Mumbai – 400 067	132.2
11	Interior & Furnishing work  Area - 20000 Sq Ft	QUO/104/2011 dt.01/03/2011	J. P. Enterprises  A/203, Shree Sidhi, Sarvodaya Complex, Mira- Bhyander Road, Mira Road (E), Thane – 401 107	197.05
12	Electrical Work	STAR/Quo/11- 12/03-014 dt. 05/03/2011	402-“B” Wing, Safalya Appt., Behind Profit Centre, Mahavir Nagar, Kandivli (W), Mumbai – 400 067	25.94

	<b>Sub Total</b>			<b>355.19</b>
13	Chairs & Sofas for all Centers	03071/03072 dt.07/03/2011	Chairs India 114, Bussa Industrial Estate, S.N.Path, Lower Parel (W), Mumbai – 400 013.	87.64
14	Air Condition Work for all Centers	DAIL/DR/2010 dt.25/02/2011	Daikin Airconditioning India Pvt. Ltd. Sunteck Centre, 2nd floor, Subhash Road, Vile Parle (E) Mumbai – 400 057	114.63
	<b>Total</b>			<b>1,407.35</b>

### Computer, Software and Office Automation

Sr. No.	Particulars	Qty	Amount (₹ in Lacs)
1	<b><u>Computers &amp; Printers</u></b>		
	Desktop Computers	105	40.66
	Laptop Dell/Wipro/HP-Compaq/Lenovo	150	59.85
	Server – Wipro	8	12.01
	Network Laser/Inject Printer	18	5.93
2	<b><u>Software</u></b>		
	Software-Windows 7, M.S. Office 2007, Window 2008 server, Adobe Acrobat Reader, PDF converter, Anti Virus , Cal Lic for win 2008	200	157.46
3	<b><u>Office Automation</u></b>		
	Interactive White Board Genius/Hitachi/Polyvision	30	20.48
	Photocopier Xerox/Toshiba	5	14.44
	Language Lab	5	14.44
	Video Conferencing	6	44.10
	Security Camera	100	9.98
	IP Camera with DVR Recording	12	6.93
	IP Phone+24 Port Switch+ router (20IP)	6	18.27
	LCD Multimedia Projector Infocus/LG/View sonic/Epson	25	21.09
4	Installation		30.88
	<b>Total</b>		<b>456.52</b>

The above estimate has been provided by Computronics, Andheri (East), Mumbai vide their quotation dated March 15, 2011.

### Vehicles

We propose to acquire following vehicles:

Sr. No.	Description of Vehicle	Qty	Quotation Nos.& date	Name of the Vendor	Amount (₹ Lacs)
1	Ashok Leyland LYNX ALPSV3/46-1	1	PR/55601 dt. 16/10/2010	Automotive Manufacturers Pvt. Ltd. Plot No.D/229, MIDC, TTC Indl. Area, shirvane Village, Mumbai Pune Road, Navi Mumbai – 400 706	13.47
2	Ashok Leyland Stag ALPSV 3/73-1	1	PR/55600 dt. 16/10/2010		12.18
3	Ashok Leyland Stag ALPSV 3/71-1	1	PR/55599 dt. 16/10/2010		11.32
4	40 Seater BOM-III		15691 dt.12/03/2011	Bafna Motors (Mumbai)	12.97

5	Winger –BS-III School Van AC		8623 dt.12/03/2011	Pvt. Ltd. Survey No.126/2, Vill.: Pimpalner, NH3 Bhiwandi Bypass, Tal.:- Bhiwandi, Dist: Thane.	7.42
6	Winger –BS-III School Van Non AC		8622 dt.12/03/2011		6.15
	<b>Total</b>				<b>63.51</b>

### (B) Working Capital requirements

We already have three study centres operational in Navi Mumbai, Delhi and Ahmedabad. We intend to set up four new study centres in South Mumbai, Bangalore, Delhi N.C.R. and Kolkata, as a part of our growth strategy. Depending on factors such as availability, location and price, we intend to acquire properties on lease/rental basis at the above locations.

A break-up of the estimated working capital costs are detailed hereunder to:

(Amount in ₹)

	Corporate level	Jaipur	New Delhi	South Mumbai	Bangalore	Kolkata
<b>Rentals</b>						
proposed area (sf.ft)	--	--	7,500	5,000	12,000	12,000
Estimated rentals per month	--	--	4,25,000	4,50,000	3,75,000	3,60,000
12 months rental			51,00,000	54,00,000	45,00,000	43,20,000
<b>Salaries</b>						
Campus Head		14,40,000	14,40,000	14,40,000	14,40,000	14,40,000
Mktg Head-Campus		9,00,000	9,00,000	9,00,000	9,00,000	9,00,000
Mktg Executives		4,20,000	8,40,000	8,40,000	12,60,000	8,40,000
Counsellors		7,20,000	7,20,000	7,20,000	7,20,000	7,20,000
Project managemnt executives	36,00,000	2,40,000	2,40,000	2,40,000	2,40,000	2,40,000
<b>Other overheads (Electricity/Security/Maint, Travel)</b>		6,00,000	12,00,000	18,00,000	18,00,000	9,00,000
(12 months)						
Sub-total	36,00,000	43,20,000	1,08,72,500	1,17,95,000	1,12,47,000	97,32,000
<b>Total working capital requirement</b>	<b>5,15,66,500</b>					

### (C) Brand Building

We believe that the key constituents for any business to succeed in the market are (a) good quality product and services and (b) efficient marketing and promotion of the brand. We believe we have been able to transform Times Academy into a successful education brand. We intend to leverage the success of our Brand by launching study centres in new locations. We propose to use the business insight that we have acquired over the years in this sector in our proposed forays.

Brands are a means of differentiating an entity's products and services from those of its competitors. In the education sector, a strong brand will help us to make our services distinct from competition. It will also increase awareness about the services provided by our company. In line with our Company's expansion plans, we propose to establish a recognized brand for our Company.

Our Company has earmarked an amount of ₹ 700.00 lacs out of the proceeds of the Issue for the above object. The same is based on the quotation dated September 24, 2011, received from S. Kumar Publicity, Navi Mumbai. For these forays and also to further strengthen our brand image we further propose to spend ₹ 700 Lacs on advertising and brand building as under:

**Media Costs**

**₹ Lacs**

1	<b>Print Media</b>	400.00
	Newspapers, Magazines, souvenir etc. (regional and national)	
2	<b>Out of Home Media</b>	160.00
	(Hoardings, Bus Shelters, Street Polls)	
3	<b>Radio advertising and Television</b>	100.00
4	<b>PR / Press releases, Events, Road Shows</b>	25.00
5	<b>Internet marketing, including SMS marketing*</b>	15.00
	(Online shopping, social networking, search optimization etc)	
	<b>Total spends during FY 13</b>	<b>700.00</b>

*\* based on management estimates*

These activities are integral to maintaining and enhancing brand visibility. We intend to invest a substantial portion of the sales and marketing expenditure for the launch and sustained visibility of four new study centres.

#### **(D) Public Issue Expenses**

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

<b>Activity</b>	<b>Expenses* (₹ Lacs)</b>	<b>% of Issue Size</b>	<b>% of Issue expenses</b>
Lead management, underwriting and selling commission	[•]	[•]	[•]
IPO Grading Expenses	[•]	[•]	[•]
Advertisement and marketing expenses	[•]	[•]	[•]
Printing and stationery (including expenses on transportation of the material)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing fees, etc.)	[•]	[•]	[•]
<b>Total</b>	[•]	[•]	[•]

*\* Will be incorporated after finalization of the Issue Price*

#### **(E) General Corporate Purposes**

Our Company intends to deploy the balance of the Proceeds of the Issue aggregating ₹ [•] Lacs, towards general corporate purposes, including but not restricted to strategic initiatives, organic growth opportunities strengthening of our marketing capabilities, brand building exercises meeting exigencies and contingencies which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

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

#### **Schedule of implementation**

Particulars		
	Month of Commencement	Month of Completion
Expansion of business activities by setting up of new training centres at Mumbai, Bangalore, Delhi N.C.R. and Kolkata	April 2012	March 2013
Brand Building	April 2012	March 2013

### Deployment of Funds in the Project

We have incurred the following expenditure on the project till August 31, 2011. The same has been certified by our statutory auditors Nayak Rath & Associates, Chartered Accountants *vide* their certificate dated September 10, 2011.

Sr. No	Particulars	Amount deployed (₹. Lacs)
(a)	Public Issue expenses	4.42
	<b>Total</b>	<b>4.42</b>

The above mentioned deployment has been financed by way of internal accruals. We confirm that the same will not be recouped from the Public Issue proceeds

### Details of balance fund deployment

(₹ in Lacs)					
Sr. No.	Particulars	Expenses incurred till August 31, 2011	FY 2012	FY 2013	Total
1	Expansion of business activities by setting up of new training centres at Mumbai, Bangalore, Delhi N.C.R. and Kolkata	-	-	1,927.38	1,927.38
2	Working Capital	-	-	700.00	700.00
3	Brand Building	-	-	515.67	515.67
4	Public Issue Expenses	4.42	[•]	[•]	[•]
5	General Corporate Purposes	-	-	[•]	[•]
	<b>Total</b>	<b>4.42</b>	-	[•]	[•]

### Appraisal Report

None of the projects for which the Net Proceeds will be utilised have been financially appraised by any financial institutions/banks.

### Interim Use of Funds

The management, in accordance with the approval of the Board of Directors, will have the flexibility in deploying the Issue Proceeds received by us. Pending utilization for the purposes described above, we intend to invest the funds in high quality interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration or for reducing overdraft.

### Monitoring of Issue proceeds

Our Audit Committee will also monitor the utilization of the Issue Proceeds. We will disclose the utilization of the Issue proceeds under separate head in our balance sheet for the Financial Year 2012 and 2013.

Further, on an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Draft Red Herring Prospectus and place it before the Audit Committee. The said disclosure shall be made till such time that the full money raised through the Issue has been fully spent. The statement shall be certified by the Statutory Auditors. Further, our Company will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of Issue Proceeds from the Objects stated in the Draft Red Herring Prospectus. Pursuant to Clause 49 of the listing agreement, our Company shall on a

quarterly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. We will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet till such time the Issue Proceeds have been utilized, clearly specifying the purpose for which such proceeds have been utilized. We will also, in our balance sheet till such time the Issue Proceeds have been utilized, provide details, if any, in relation to all such Issue Proceeds that have not been utilized thereby also indicating investments, if any, of such unutilized Issue Proceeds.

## BASIC TERMS OF THE ISSUE

### ***Principal Terms and Conditions of the Issue***

The Equity Shares being offered are subject to the provisions of the Companies Act, the SCRR, the Memorandum and Articles of Association of our Company, conditions of RBI approval, if any, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, Bid-cum-Application Form, the Revision Form, including ASBA forms the Confirmation of Allocation Note ('CAN'), Listing Agreements with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, 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, Government of India, Stock Exchanges, RBI, RoC, FIPB and / or other authorities, as in force on the date of the Issue and to the extent applicable.

### ***Ranking of Equity Shares***

The Equity Shares being offered shall be subject to the provisions of the Memorandum and Articles of Association and shall rank pari passu in all respects with the other existing Equity Shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in this Issue shall be entitled to dividends and/or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page 174 of the Draft Red Herring Prospectus.

### ***Mode of payment of dividend***

We shall pay dividend, if declared, to our shareholders as per the provisions of the Companies Act, the Articles of Association of our Company and the Listing Agreements entered into with the Stock Exchanges.

### ***Face Value and Issue Price per Share***

The face value of each Equity Share is ₹ 10. The Issue Price is [●]. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law. The Price Band and Minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM. These will be published by our Company at least two Working Days prior to the Issue/Bid opening date, in an English national daily newspaper and a Hindi national daily newspaper each with wide circulation.

### ***Compliance with SEBI Rules and Regulations***

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

### ***Rights of the Equity Shareholder***

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability subject to applicable foreign direct investment policy, foreign exchange regulations and other applicable laws; 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 agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of our Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page 174 of the Draft Red Herring Prospectus.



***Market Lot and Trading Lot***

Under Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of the Equity Shares is in dematerialized mode, the tradable lot is one Equity Share.

Allocation and allotment of Equity Shares through this Issue will be done only in electronic form, in multiple of one Equity Share, subject to a minimum allotment of [●] Equity Shares.

***Jurisdiction***

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in New Delhi.

***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

***Nomination Facility to the Investor***

In accordance with Section 109A of the Companies Act, the sole or first bidder, along with other joint bidders, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidders, death of all the Bidders, as the case may be, the Equity Shares that are 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 such person would be entitled if such person 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/ transfer/ alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Company's Registered Office or with the Registrar of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. 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 (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

**Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with us. Nominations registered with respective depository participant of the applicant will prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.**

***Minimum Subscription***

If we do not receive the minimum subscription of 90% of the Issue through the Red Herring Prospectus including devolvement of Underwriters within 60 days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 73 of the Companies Act and the rules formulated thereunder.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted shall not be less than 1,000.

### ***Arrangement for disposal of odd lots***

The Equity Shares will be traded in dematerialized form only and therefore the marketable lot is one (1) Equity Share. Hence, there is no possibility of any odd lots.

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.*

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares through the Book Building Process. The face value of the Equity Shares is ₹ 10 each. The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled '*Risk Factors*' and '*Financial Information*' on pages xvi and 91 respectively, of the Draft Red Herring Prospectus to get a more informed view before making the investment decision.

### *Qualitative Factors*

For details of Qualitative factors please refer to the heading 'Our Competitive Strengths' in the chapter titled "Our Business" beginning on page 57 of the Draft Red Herring Prospectus.

### *Quantitative Factors*

#### 1. *Basic & Diluted Earnings Per Share (EPS):*

Period	Basic and Diluted EPS (₹)*	Weightage
Fiscal 2011	-3.52	3
Fiscal 2010	1.43	2
Fiscal 2009	0.56	1
<b>Weighted Average</b>	<b>-1.19</b>	

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

- a. Based on the basic and diluted EPS of ₹ -3.52 as per restated financial statements for the year ended March 31, 2011, the P/E ratio is [●] \*
- b. Based on the weighted average basic and diluted EPS of ₹ -1.19, as per restated financial statements the P/E ratio is [●]\*

\*P/E Ratio will be determined on conclusion of book building process.

#### c. Industry P/E

Industry P/E	
▪ Highest – Career Point	16.8
▪ Lowest – Educomp Solutions	5.9

*Source: Dalal Street, VolumeXXVI No. 21, September 26 – October 09, 2011*

*Peer Group considered – Career Point, Educomp Solutions and Everonn Education*

#### 3. *Return on Net Worth*

Period	Return on Net Worth (%)	Weightage
Year ended March 31, 2011	-19.55	3
Year ended March 31, 2010	10.51	2
Year ended March 31, 2009	4.99	1
<b>Weighted Average</b>	<b>-5.44</b>	

#### 4. *Minimum Return on increased Net Worth required to maintain pre-Issue EPS.*

The minimum return on increased Net Worth required to maintain pre-Issue EPS:

- A) Based on Basic and Diluted EPS of ₹ (3.52)
  - a. At the Floor Price – [●] % based on restated financial statements.
  - b. At the Cap Price – [●] % based on restated financial statements.

## B) Based on Weighted Average EPS of ₹ (1.19)

- a. At the Floor Price – [●] % based on restated financial statements.
- b. At the Cap Price – [●] % based on restated financial statements.

**5. Net Asset Value per Equity Share**

- As of March 31, 2011, ₹ 14.77
- NAV per Equity Share after the Issue is ₹ [●]
- Issue Price per Equity Share is ₹ [●]\*

\*Issue Price per Equity Share will be determined on conclusion of book building process.

**6. Comparison of Accounting Ratios**

Particulars	EPS – TTM	P/E	RONW	NAV	Face
	(₹)	Ratio	(%)	(₹)	Value
Career Point	15.1	16.8	10.0	151	10
Educomp Solutions	40.5	5.9	24.2	167	2
Everonn Education	38	8.3	13.9	274	10
Times Academy Limited (FY 2011)	(3.52)	[●]	(19.55)	14.77	10

*All the above figures are on Standalone basis*

*Source: Dalal Street, VolumeXXVI No. 21, September 26 – October 09, 2011*

*Peer Group considered – Career Point, Educomp Solutions and Everonn Education*

7. The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price is [●] times the face value at the Floor Price and [●] times the face value at the Cap Price. The Issue Price of ₹ [●] is determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares through the Book Building Process and is justified based on the above accounting ratios. For further details, please refer to the section titled 'Risk Factors', and chapters titled 'Our Business' and 'Financial Information' beginning on pages xvi, 57 and 91 of the Draft Red Herring Prospectus.

## STATEMENT OF TAX BENEFITS

**The Board of Directors,  
Times Academy Limited**  
A-39, Kailash Colony,  
New Delhi - 110 048.

Dear Sirs,

**Sub: Statement of Tax Benefits**

We hereby report that the enclosed annexure states the possible tax benefits that may be available to **Times Academy Limited** (the “Company”) and to the Shareholders of the Company under the provisions of current tax laws presently in force in India.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws and their interpretations. Hence, the ability of the Company or its Shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. This statement is only intended to provide general information and to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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 / would be met with;
- the revenue authorities/ courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretations, which are subject to change from time to time. We do not assume responsibility to up-date the views of such changes. 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. While all reasonable care has been taken in the preparation of this opinion, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

This report is intended solely for information and for the inclusion in the offer Document 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 Nayak Rath & Associates,  
Chartered Accountants**  
Firm Regn. No. 021051N

**Rashmikiranjan Nayak**  
**Partner**  
Membership No. 504657

Date: September 26, 2011

Place: New Delhi

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

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits available to the Company.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS OF OUR COMPANY**

There are no special tax benefits available to the Company.

### **C. GENERAL TAX BENEFITS, AVAILABLE TO ALL CATEGORIES OF COMPANIES OR TO THE SHAREHOLDERS OF ANY COMPANY, SUBJECT TO FULFILLING CERTAIN CONDITIONS AS REQUIRED UNDER THE RESPECTIVE ACTS:**

#### **BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961**

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.
2. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.
3. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India after 1st October, 2004 and is liable to securities transaction tax.
4. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e. if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
  - a) National Highway Authority of India constituted under Section 3 of The National highway Authority of India Act88;
  - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Deduction under Section 32: As per provisions of Section 32(1)(iia) of the Act, the company is entitled to claim additional depreciation of 20% of the actual cost of any new machinery or plant which has been acquired and installed after 31st March, 2005 subject to fulfilment of conditions prescribed therein.

7. Under Section 115JAA (2A) of the Act tax credit shall be allowed in respect of any tax paid (MAT) under Section 115JB of the Act for any Assessment Year commencing on or after 1st April 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT credit shall not be available for set-off beyond 7 years immediately succeeding the year in which the MAT credit initially arose.

#### **BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961**

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.
2. Under Section 48 of the IT Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, as per second proviso to Section 48 of the IT Act, in respect of long term capital gains (i.e. shares held for a period exceeding 12 months) from transfer of shares of Indian Company, it permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index, as prescribed from time to time.
3. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.
4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
  - a) National Highway Authority of India constituted under Section 3 of The National highway Authority of India Act;
  - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Under Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
7. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e. if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

8. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head “Profit and gains of business or profession” arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

### **BENEFITS AVAILABLE TO MUTUAL FUNDS**

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

### **BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS (‘FIIS’)**

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.
2. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.
3. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
  - a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act;
  - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

4. Under Section 115AD(1)(ii) of the Act short term capital gains on transfer of securities shall be chargeable @ 30% and 10% (where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax). The above rates are to be increased by applicable surcharge and education cess.
5. Under Section 115AD(1)(iii) of the Act income by way of long term capital gain arising from the transfer of shares (in cases not covered under Section 10(38) of the Act) held in the company will be taxable @10% (plus applicable surcharge and education cess). It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.
6. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the IT Act to the extent they are more beneficial to the FII.
7. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head “Profit and gains of business or profession” arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.



## **BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES/ FUNDS**

1. Under Section 10(23FB) of the IT Act, any income of Venture Capital companies/ Funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the IT Act, any income derived by a person from his investment in venture capital companies/ funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

## **BENEFITS AVAILABLE TO NON-RESIDENTS / NON-RESIDENT INDIAN SHAREHOLDERS (OTHER THAN MUTUAL FUNDS, FIIS AND FOREIGN VENTURE CAPITAL INVESTORS)**

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.
2. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.
3. Under the first proviso to Section 48 of the IT Act, in case of a non resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by Section 115E of the IT Act-discussed hereunder), 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. The capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized in the purchase of the shares.
4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
  - a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act;
  - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

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

7. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
8. Where shares of the Company have been subscribed in convertible foreign exchange, Non-Resident Indians (i.e. an individual being a citizen of India or person of Indian origin who is not a resident) have the option of being governed by the provisions of Chapter XII-A of the IT Act, which inter alia entitles them to the following benefits:
- i. Under Section 115E, where the total income of a non-resident Indian includes any income from investment or income from capital gains of an asset other than a specified asset, such income shall be taxed at a concessional rate of 20 per cent (plus applicable surcharge and education cess). Also, where shares in the company are subscribed for in convertible foreign exchange by a Non-Resident India, long term capital gains arising to the non-resident Indian shall be taxed at a concessional rate of 10 percent (plus applicable surcharge and education cess). The benefit of indexation of cost and the protection against risk of foreign exchange fluctuation would not be available.
  - ii. Under provisions of Section 115F of the IT Act, long term capital gains (in cases not covered under Section 10(38) of the IT Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange (in cases not covered under Section 115E of the IT Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in Section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
  - iii. Under provisions of Section 115G of the IT Act, it shall not be necessary for a Non-Resident Indian to furnish his return of income under Section 139(1) if his income chargeable under the Act consists of only investment income or long term capital gains or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.
  - iv. In accordance with the provisions of Section 115H of the Act, a Non Resident Indian become assessable as a resident in India, he may furnish a declaration in writing to the assessing officer along with his return of income for that year under Section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
9. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.
10. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the Non-Resident/ Non- Resident India would prevail over the provisions of the IT Act to the extent they are more beneficial to the Non-Resident/ Non-Resident India.

#### **BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957**

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

Notes:

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

2. The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws, including as laid down by the circular 4/2007 dated 15th June 2007 issued by CBDT concerning capital gain, for availing concessions in relation to capital gains tax;
3. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;
4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and
5. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint share holders.

## SECTION V – ABOUT THE COMPANY

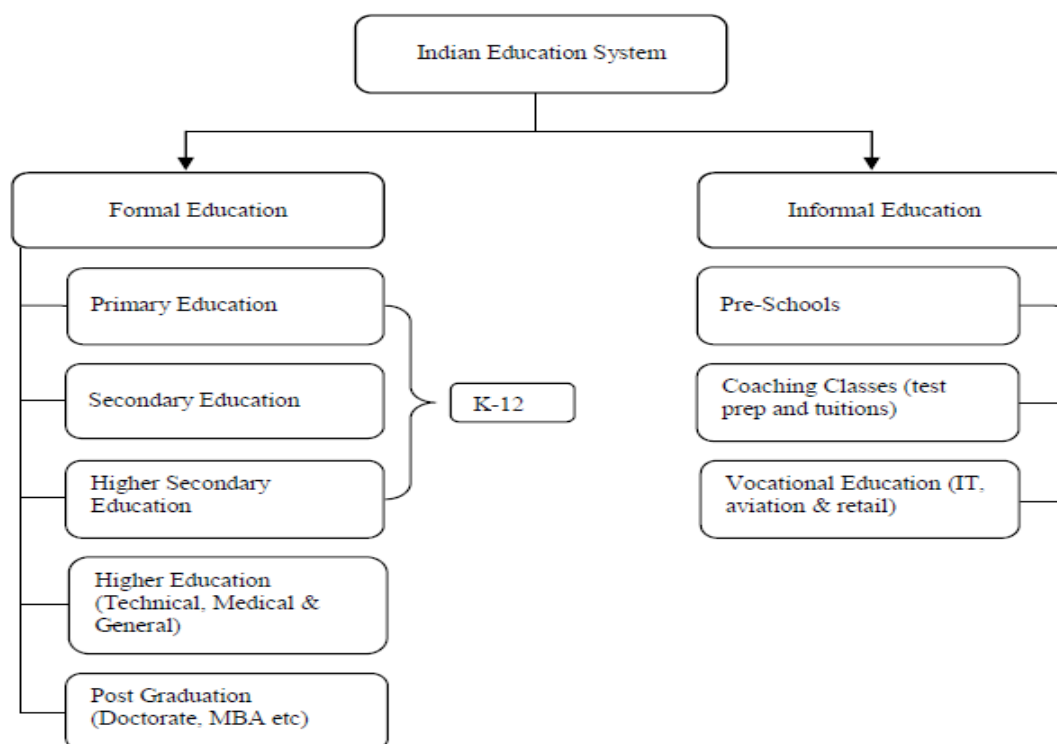
### INDUSTRY OVERVIEW

**Disclaimer:** Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Draft Red Herring Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/servicess described in the Draft Red Herring Prospectus could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Draft Red Herring Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web.

The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

#### Indian Education System

Indian education system comprises of formal and informal education. The different aspects of formal and informal education are depicted below:



#### Overview of the Indian Education System

India is a nation of young people. Out of a population of above 1.1 billion, 672 million people are in the age-group of 15 to 59 years, which is usually treated as the “working age population”. It is predicted that India will see a sharp decline in the dependency ratio over the next 30 years, which will constitute a major „demographic dividend” for India. In the year 2001, 11% of population of the country was in age group of 18 years to 24 years which is expected to rise to 12% by the end of Eleventh Five Year Plan. This young population should be considered as an invaluable asset which if equipped with knowledge and skills, can contribute effectively to the development of the national as well as the global economy.

*(Source: Report to the People on Education- 2009-10- MHRD- July 2010)*

The education system in India comprises of formal, vocational and informal education. All levels of formal education are heavily regulated by the Ministry of Human Resource Development, Government of India (MHRD). Informal education is unregulated.

### **Current State of Higher Education in India**

India has one of the largest “Higher Education Systems” in the world. From 20 universities and 500 colleges at the time of Independence, it now has more than 500 universities and 25,000 colleges.

The Government of India (GoI) has looked upon higher education as an instrument to invest in to achieve the national priorities of economic and social development, including improved quality of life for all and building technological leadership, as well as global priorities such as sustainable and equitable management of earth resources. Today, higher education is an enabler of economic growth as well as an indicator of the prosperity of a nation. Realizing this potential, GoI is formulating major policies related to higher education to meet the changing needs within the country and to be an effective player in the globalized knowledge economy. For example, in FY 2011, GoI has projected an outlay of about Rs 85,000 crore for higher education during the XIth Five-Year Plan period which marks more than a 9-fold increase over the Xth Plan outlay for the same sector.

*(Source: Dr Anil Kakodkar Committee report dated April 2011)*

### **Universities System**

Universities play a critical role in making our higher education system vibrant – through creating knowledge, disseminating knowledge and managing the knowledge assets. The linkage between learning, research and innovation within higher education is the key to the building of sustainable knowledge societies.

Based on the provisions for academic, administrative and financial flexibility, there are different types of universities and institutions in the higher education system in the country. Some universities were established by an Act of Parliament while others were established by the state legislatures. Those established by Acts of Parliament are central universities and those set up by the state legislatures are state universities. In addition, some higher education institutions are granted the “deemed to be university” status by GoI. Furthermore, a few institutions are established as institutions of national importance by Parliament. Finally, there are the open universities which offer distance education programmes. The universities could be of unitary type with single or even multiple campuses, or an affiliating type. Universities that are deemed to be universities and institutions of national importance are degree granting institutions.

*(Source: Dr Anil Kakodkar Committee report dated April 2011)*

### **Education in a Changing Global Scenario**

In the present context, education policies and strategies have to reckon with emerging challenges and opportunities that come from increasing globalization. The task of nation building has to take into account increasing demand for certain professional skills and knowledge that is linked to the labour market. A globalized world will ultimately require the outsourcing of human skills in regions which will witness a ‘demographic deficit’. Skilled human capital will have to be imported to certain regions to sustain economic growth. This can offer tremendous opportunities for employment and growth provided the youth are equipped with requisite knowledge and skills.

Globalisation imposes new ways of thinking by researchers, teachers and administrators in the process of creation, dissemination and the management of knowledge. In this era of Globalization and Internationalization of education, there will be impetus to mobility of people including students, teachers and researchers. The main challenge, therefore, is to provide the requisite opportunities through investment in schools, colleges and universities. The access to quality education for all will create an environment whereby the fruits of development and growing opportunities are available to all sections. A further challenge is to ensure that the foreign institutions coming to India also fit in with the developmental goals of our nation.

Faced with the complexity of current and future global challenges, institutions of education have the social responsibility to advance our understanding of multifaceted issues, which involve social, economic, scientific and cultural dimensions and our ability to respond to them. To do so, institutions must increase their interdisciplinary focus and promote innovative thinking which contributes to the advancement of peace, well being and development, and the realization of human rights, including gender equity.

*(Source: Report to the People on Education- 2009-10- MHRD- July 2010)*

## **Major Institutional Reforms in Higher Education**

Government has taken major initiatives in academic and institutional reforms in higher education sector during the year 2009-10 which marks a paradigm shift in the development of higher education. A National Commission/ Council for Higher Education and Research is proposed to be established as an apex body for determination, coordination and maintenance of standards and promotion of higher education and research. It is also proposed to have mandatory accreditation system in place of the present voluntary system of accreditation, to promote quality. The National Accreditation Authority for Higher Educational Institutions will provide a common frame of reference for students to obtain credible information on academic quality across institutions. The process of accreditation would provide acceptability among peer group of international accreditation bodies, necessary for student and teacher mobility and institutional collaborations across borders.

Government, as a part of reform, also aims to curb adoption of unfair practices by technical and medical educational institutions and universities in matters related to charging of capitation fees, making admissions not according to merit, making false claims on availability of infrastructure, faculty or recognition of the institution etc. The Educational Tribunals Bill recently introduced in the Parliament provides for a two tier system to deal with disputes between students, teachers, institutions and regulators. The government has also recently introduced in the Parliament, a Bill to regulate the entry of foreign universities. Finance is a major issue restricting the participation of students. A proposal is being prepared to consider the establishment of a National Education Finance Corporation to enable educational institutions to access funds at comparatively low cost. The Corporation could also act as a refinancing agency for education loans obtained by students pursuing higher education.

*(Source: Report to the People on Education- 2009-10- MHRD- July 2010)*

## **Way Forward – Higher Education**

The target of increasing Gross Enrolment Ratio to 15 percent by the end of XI Five Year Plan and 21 percent GER by the end of XII Five Year Plan is considered necessary to reap demographic dividends. The Ministry of Human Resource Development has envisaged a major plan of expansion of new central higher education institutions. The establishment of 80 new central educational institutions alongwith incentivizing State Governments to set up new educational institutions and governance reforms will give a big boost to the expansion with inclusion, in higher education in India.

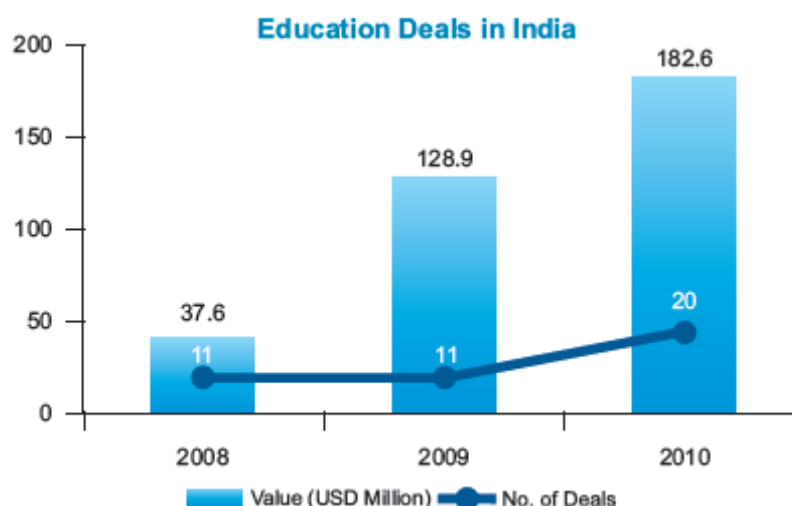
The government has also introduced a legislative proposal in the Parliament to regulate the entry of foreign universities. This will restrict the entry of fly by night operators and provide incentives to the good institutions to enter under the law of the land. Government, as a part of reform, aims to curb adoption of unfair practices by technical and medical educational institutions and universities in matters related to charging of capitation fees, making admissions not according to merit, making false claims on availability of infrastructure, faculty or recognition of the institution etc. The Educational Tribunals Bill provides for a three tier system-district, state and national level-to deal with disputes between students, teachers and institutions.

Self governance of universities needs to be promoted. At the same time, autonomy should go with performance, as a measure of accountability. Financial autonomy, however, should be restricted to control commercial practices. Government also emphasizes the use of ICT in governance, e-source material, teaching learning processes, research etc.

*(Source: Report to the People on Education- 2009-10- MHRD- July 2010)*

## **Investment climate in Education Industry**

PE investments in the education sector increased from USD 129 million in 2009 to USD 183 million in 2010. Some of the large recent deals in the sector include – PremjiInvest's USD 43 million investment in Manipal Education and India Equity Partners' USD 37 million investment in IL&FS Education and Technology Services.

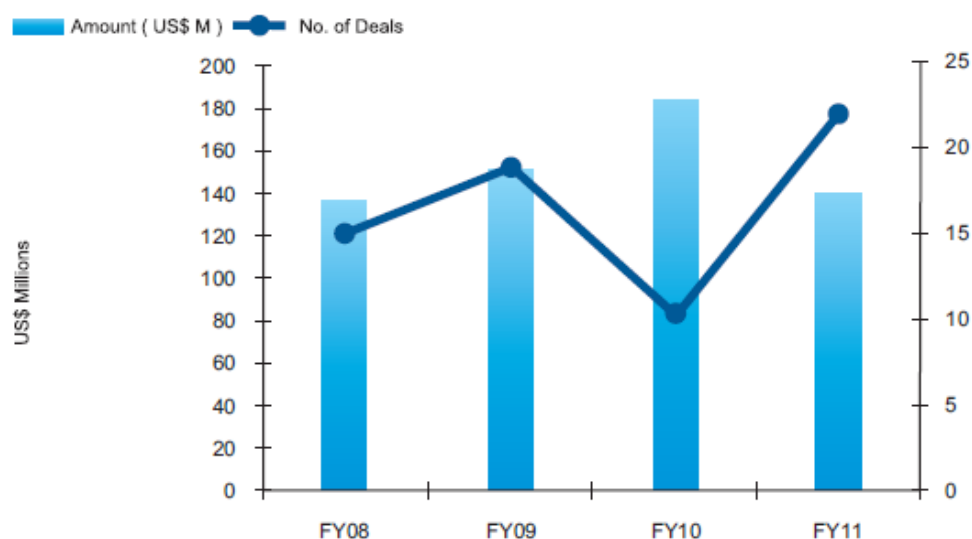


India has the third largest education system globally, after China and the US, with one million schools and 18,000 higher education institutions. With a population of approximately 540 million in the 0-24 age bracket, it is also the largest education market in the world. Education sector is the largest services market in India with a market size of more than 450 million students and USD 57 billion per annum (as of 2009). The landscape is primarily dominated by central and state government funded and managed institutions with 80% of all schools being government schools. The government currently spends about 4% of GDP on education, which is planned to be increased to 6% in the 11th five year plan to INR 2,700 billion from INR 435 billion in the 10th five year plan.

Till the early 1990's, government regulation in the education sector had adversely impacted the operational efficiency and effectiveness of educational institutes. The early 1990's witnessed a liberalisation movement within India and a growth in entrepreneurship across the country which also resulted in greater focus on education. The increased need for quality education spurred the growth of private education in India, resulting in private institutions being set up by individuals and corporate groups. To meet the increasing demand for quality education in India, which can compete with other education systems globally, significant amount of investment is required - industry estimates indicate that to meet the planned Gross Enrollment Ratio of 15%, an investment of approximately USD 21 billion is required in capital expenditure and USD 7.5 billion in operating expenditure. Given this significant gap between demand for quality and relevant education and supply, there is a huge potential for private investment. Accordingly, private equity interest in this sector has grown significantly.

Of the USD 183 million of PE investment in this sector, approximately 70% has been raised by businesses in the non-regulated space – pre-schools, tutorials, ICT segment, test preparation, education services, etc. The balance investments have been made in the regulated space which is indicative of the complexity involved in investing in the regulated sector.

## PE Investments in Education



### Growth Drivers for Education Industry

The education industry in India can be broadly classified into the regulated segment (K12 and higher education) and the unregulated segment (preschool, multimedia, ICT, coaching centres, vocational training and books). In 2009, the regulated segment accounted for USD 45 billion and the unregulated segment for USD 12 billion of the total education market. This is expected to grow to USD 65 billion and USD 20 billion by 2012 at a CAGR of 13% and 18% respectively. The growth will primarily be driven by:

**Demand supply gap** – estimated investment requirement of approximately USD 100 billion to meet the demand from 230 million students enrolled each year and increasing by 8 million each year. Industry estimates indicate that to meet the gross enrollment ratio target in elementary education, 45,500 additional institutions need to come up by 2015 and to meet 15% gross enrollment ratio in higher education by 2012, an additional 460 institutions would need to be set up.

**Government reforms and higher spending** – the government has been taking steps to enhance education infrastructure and literacy in India. One of these includes the Right to Education Act, which provides for free and compulsory education for students in the 6-14 age group, up to 25% reservation for economically weaker section students in private aided and unaided schools and no capitation fees. Further, the planned spend on education in the 11th five year plan is almost six times that of the 10th five year plan. Other regulatory changes are also planned to ease investment and promote foreign private players to enter the sector.

**Change in mindset** – with the rise in middle class incomes, the savings ratio for securing higher education for their children has touched 55%. Educational and related expenses are deemed an investment. This change in attitude will act as a catalyst, promoting higher investments in the said sector.

**Quality perception** – quality of public sector education is perceived to be lower than that of the private sector. This will further heighten the demand for private sector institutions.

### Key Challenges faced by the Education Industry

Despite increased investments and strong growth opportunities, the education sector also poses many challenges which need to be addressed. Some of these challenges have been highlighted below:

**Regulatory Hurdles** – the regulatory structure is antiquated with multiple government bodies having overlapping functions. The regulated segment is controlled by the government to prevent commercialisation, profit making and requires plough back of all surplus. There are also restrictions on curriculum, fee, student intake and course delivery. As a result, investors resort to innovative structures to realise profits through outsourcing, service contracts or supplementary courses. All these regulatory hurdles make this sector challenging to invest in.



**Management company structure and lack of exit route** – in the regulated segment there are two routes available for corporate participation. a) Indirectly through investment in companies providing school management or other allied services; and b) In some states where for-profit schools are allowed, they can invest directly into the schools which are affiliated with a foreign board. However, exit route for such management companies is currently untested and how the markets will respond to a management company proposing a public listing is unknown.

**Lack of professional management** – some education institutions lack professional management and are at times run by promoter families which may require external assistance to scale up the business and make it competitive.

**Faculty shortage and lack of interest in the profession** – India's pupil-teacher ratio of 23 compared with a world average of 15, points to a severe shortage of teachers. Further, the situation is worsened by the low number of students opting to qualify as teachers as teaching is not a 'preferred' option at higher education levels.

*(Source: Venture Intelligence – PE pulse on Education, June 2011)*

### **Way forward**

India presents a significant potential market for private education companies and the policy climate is continuing to support the private sector's role in education. Public private partnerships, in particular, are likely to become more widespread in the delivery of education infrastructure and provision.

High levels of regulation mean that success in this market is challenging. The provision of educational products and services bypasses much of the regulation, making it an attractive niche. For companies which can navigate the landscape, however, the development of other areas may prove a better long-term strategy. In particular, the development of private training schools appears to be a potentially successful route for private companies looking to enter the Indian education market; a profit motive in this area is unlikely to be challenged and growth is projected to be strong.

*(Source: The Research Base, January 2011)*

### **Way forward for our Company**

Our business model of running a study centre fits with the government's objective of providing quality education to all. Considering the shortage of quality collage and classrooms and faculty, students who enrol with our study centers have good infrastructure and quality course curriculum of their choice to study. We see tremendous potential in the services we offer to the student community at large.

## OUR BUSINESS

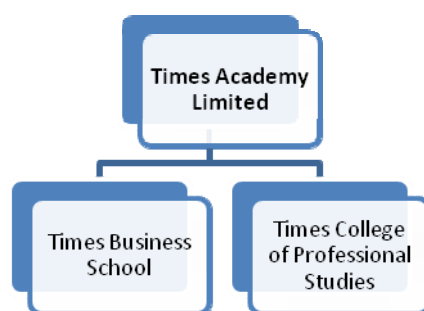
*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Red Herring Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page xvi of the Draft Red Herring Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on pages xvi, 91 and 111 respectively, of the Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this section of the Draft Red Herring Prospectus, all references to "we", "us", "our" and "our Company" are to Times Academy Limited and Group Entities as the case may be.*

### Overview

Times Academy Limited (TAL) was formed in the year 2006, with an objective is to impart international quality learning in the area of higher education. TAL endeavours to cater to the ever growing demand of skilled and employable manpower by linking education with employment and creating a productive workforce. We operate through two brands as under:



We provide assistance for professional educational services in India. Our educational programs (offered by the respective Universities) are targeted for students who have cleared higher secondary examinations in the area of Management, Information Technology, Banking, Finance, Insurance, Media, and Infrastructure amongst others. The above programs are offered through our affiliations to three Universities in India, Punjab Technical University, Jalandhar, Guru Jambheshwar University of Science and Technology, Hissar and Bhartiya University, Coimbatore. Apart from these we are also affiliated to 2 Universities based in UK, University of London and NCC Education, based out of Manchester.

These programs are offered to the students who opt for Distance Learning Programs through the following study centers at our campuses located in New Delhi, Mumbai and Ahmedabad. Graduate and Post-Graduate courses are conducted through Times Business School, whilst other short term courses are conducted through Times College of Professional Studies. The Ahmedabad centre is managed through a joint venture agreement dated April 09, 2011, between our company and Mr. Sandeep Bansal. Both the parties have agreed to form a LLP by the name of 'TBS Academy', where our Company and Mr. Sandeep Bansal shall be partners in the ratio of 1:1.

As on August 30, 2011, we have a team of 32 professionals (excluding part time/ visiting/ honorary faculty members). Since the establishment of our first centre in New Delhi we have built Intellectual capital (Case Studies, Course Content, etc) of over 6,120 pages for the various programs offered by us.

### Location

Our Company is headquartered in the New Delhi with study centers in New Delhi, Navi Mumbai and Ahmedabad. We are also in the process of setting up study centres in Jaipur, and in this regard, we have entered into a joint venture agreement with Mr. Vinod Lodha and Mr. Naresh Bhargava dated April 08, 2010. However commercial operations are yet to commence in the Jaipur campus. We propose to open new study centers in South Mumbai, Bangalore, Kolkata and New Delhi (NCR). For further details please refer to the Chapter title 'Objects of the Issue' beginning on page 31 of the Draft Red Herring Prospectus.

**Existing locations**

Type of Facility	Location	Courses conducted
Registered office	A-39, Kailash Colony New Delhi -110 048	Registered and administrative office
Study centre – New Delhi	A-39, Kailash Colony New Delhi -110 048	MBA, BBA, MBA, BBA, Executive MBA, MCA, BCA, BAMC
Study centre – Navi Mumbai	1401,1402, 14th floor Platinum Techno Park Vashi, Navi Mumbai	MBA, BBA, Executive MBA
Study centre – Ahmedabad	Corporate House No. B1 Asirvad Paras, Opp Auda Garden Prahlad Nagar, Ahmedabad	MBA, BBA, MBA, BBA, Executive MBA, MCA, BCA, BAMC
Study centre – Jaipur	3rd Floor, B.L. Tower-I, Mahavir Nagar Tonk Road, Jaipur.	Yet to commence operations

The number of students who have enrolled and from whom revenue has been recognized, in whole or part, based on the curriculum courses availed by them during the relevant Fiscal, in our Study Centers in the last three Fiscal years is as below:

Courses	Current	FY 2011	FY 2010	FY 2009
UG	99	41	22	56
PG	174	41	39	58
Certificate courses	9	-	183	43
<b>Total</b>	<b>282</b>	<b>82</b>	<b>244</b>	<b>157</b>

Our restated turnover and profitability for the past five financial years is given as under:

Particulars	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
<b>Income from operations</b>	338.31	623.46	553.51	203.80	42.00
<b>Profit/(Loss) after tax</b>	(222.49)	48.82	16.98	6.89	(0.63)

**Our Competitive Strengths**

- Modern Study Centers:** All our study centers are equipped with modern teaching aids, which help the students immensely. Ranging from the books we provide to other audio-visual modes of teaching, we offer an excellent environment for our students to concentrate on their curriculum.
- Whole Center Audits:** Whole Centre Audits are an integral part of our quality assurance program designed to ensure that all aspects of a Centre are up to the standards. Whole Centre audits conducted by a formal audit team, which is trained in various aspects of education and Centre operations. These audits take place early in a Centre's life, laying the foundation for future growth. These Centre audits ensure that all aspects of a Centre are evaluated and assessed including the educational program, environment, health and safety, space utilization, human resources, operational processes and so much more.
- Continuous Training:** Our training programs are subject to stringent quality assurance and evaluation and are continually revised to meet changing needs and to incorporate the latest developments in teaching and learning.

The performance of Head teachers and all staff is subject to regular review and from this, further training needs are identified. This enables our staff to be at the forefront of good practice and also prepares them to progress within the organization.

- Quality Teaching Standards:** To ensure that high standards of quality and professional service are maintained across our network of Centers, We provide a comprehensive program of induction and

ongoing professional development for our faculty members. We follow a systematic approach in selecting and training faculty members for the services we offer in order to ensure the quality and performance of the students who attend our Courses.

Further, all faculty members imparting education are trained to assess the standards of teaching and learning in the classroom. Classes in our Centre are regularly assessed to ensure that students benefit from high quality teaching methods.

5. **Diverse curriculum:** With an emphasis on the development of holistic education programs, our team provides expertise in a variety of curriculum and educational issues, all in the interest of attaining the very highest of standards.
6. **Result oriented methods of coaching:** We focus on teaching our students by enhancing their conceptual knowledge base, enabling them to improve their accuracy levels and speed. We aim at achieving a holistic development of our students and along with academics, we include activities for personality developments, time and stress management and improving communication and presentation skills. We believe these will provide a competitive advantage to our students over their peers.

We use technology to supplement coaching. For instance, we use audio visual technology in classes and quizzes in game/interactive formats, which we believe, enhance sensory learning and contribute to greater retention.

### **Our Strategy and Business Model**

We believe that Education is the process by which an individual is encouraged and enabled to develop fully his or her innate potential; it may also serve the purpose of equipping the individual with what is necessary to be a productive member of society. Through teaching and learning the individual acquires and develops knowledge, and skills. It is widely accepted that the process of education begins at birth and continues throughout life. We are dedicated to the advancement of education, knowledge, learning and understanding in the service of humanity.

#### **1. Expansion of network of Study centres**

We intend to expand our presence in our existing markets by setting up additional study Centers. We plan to leverage our existing brand and experience in the markets to service the increasing demand for our services. For further details, please see the section “Objects of the Issue” on page 31.

#### **2. Add more programs**

We aim to increase the offering by adding new programs, we offer to the student at Under Graduate, Post Graduate and executive level, the new programs shall be offered through our existing and new campuses.

#### **3. Virtual classroom**

We shall leverage our position by targeting the student base in the remote and hinterland. We plan to set up virtual classrooms and deliver programs either through online or video conferencing. This will help us in increasing the revenue base.

#### **4. Industry integrated programs**

We propose to start industry integrated programs where the programs are customised as per the needs of the industry apart from employment; the student will have the flexibility to earn while he is still pursuing the program. Student opting this program shall have an advantage to be absorbed by our industry partner.

### **Our products and services:**

We are in the business of providing educational support for students who opt for Distance Learning courses through our study centers. These study centers operate as collages, which are affiliated to Universities, which in turn confer the degrees on the students who have successfully completed the course curriculum.

Sr. No	Courses offered	Type of course (PG/UG/Certificate)
--------	-----------------	---------------------------------------

1	MBA (Masters in Business Administration)	PG
2	BBA (Bachelors in Business Administration)	UG
3	Executive MBA (Executive Masters in Business Administration)	PG
4	MCA (Masters in Computer Applications)	PG
5	BCA (Bachelors in Computer Applications)	UG
6	BAMC (Bachelors of Arts, Media Communication)	UG

### **Our Approach and Methodology**

#### **Focus on Case-Study method for producing skilled managers**

Just as corporates need to identify talent and nurture employees to assume roles of strategic importance in the organization, business schools must provide relevant and cutting-edge management education. This can be achieved by adopting the case methodology of learning. Case studies that talk about real issues/ problems that organizations face and that discuss the manner in which difficulties faced were resolved by corporate houses provide valuable insights to students. Case studies also help in bridging the gap between theoretical concepts learnt in the classroom and their application in industry. Innovative and creative thinking is developed – an essential trait for new age corporations.

Our Management program strives to develop the following skill set

- Communication skills
- Problem-solving skills
- Knowledge application skills
- Interpretation and Integration of information.

The case study approach addresses all of the above.

#### **Development of teaching materials & case studies:**

Very few institutions in the country have been able to develop adequate teaching materials including case in terms of Indian ethics in management. Our study centers aim to provide the same through wide-spread management research including case research & publications indigenously.

#### **Understanding the Roles and Organization:**

Management students also need to stop focusing solely on the monetary aspects of a job and rather concentrate on understanding the organization culture and its people. Our institutions would play an important role in developing such an attitude amongst students with the aid of counseling. The aspect of social responsibility too cannot be ignored. The student community needs to be sensitized to the fact that social responsibility does not stand for giving charity or working for an NGO. It needs to be understood that being socially responsible is being sensitive to the needs and expectations of society and doing ones' job sincerely and ethically.

#### **Course Curriculum:**

There is a need to improvise our curriculums in the way it is made and applied. Syllabi should be revised & updated regularly. It is the need of the day to make the arrangements for the easy process, by which student who is deprived of the latest knowledge & can get the benefit. In short it can be said that research orientation in curriculum will be required. The content of the curriculum should be such that there is similarity between the rationality that is taught in the classroom and the ground reality, which a student has to actually face. Projects assigned should be more practical and students should go to the organizations to study various departments like HR, finance and marketing, in order to get a holistic understanding.

#### **Faculty Development:**

Faculty members being the most crucial factor in the management education process, it is a stupendous task to meet the faculty needs of the management institution system. There is an acute shortage of high quality management teachers, particularly in the functional areas like marketing, finance & also integrative subjects like strategic management. Faculty selection should be made on merit only & compromises should not be the part of selection. Full time permanent faculty should be encourages, so that they can devote full-time for the organization. Faculty should also be involved in the administration role.

**Pedagogy:**

The central concern in all the pedagogy is interaction between traders, student & content which is basically dynamic and triadic in nature. The 21<sup>st</sup> century has opened new hopes for re-engineering our approach to pedagogical producers at all levels of education in the new domain of information technology. Needless to observe that main focus of pedagogy still remains the art of disseminating and relating knowledge to the needs and mental equipment's of the educated now it is the need that pedagogy should be more learner centered than trainer centered, more case input than lecture method more remainder workshops to envelope deep thinking on the subject ;more exposure to realities of industries and work environment, project method will be used to promote discovery learning, more emphasis on simulation, role playing etc.

**Values:**

Future managers should know the practical aspects of work ethics, like how ethics can be developed, how they can be managed at workplace, how individual makes his/her values, what are the contents of ethics which can be utilized to motivate human resources at work place since "organizations are not having ethics only people have. Developing values that enable decision-making in grey areas characterized by inadequate information or conflicts (like profit v/s integrity) will be the hallmark of training at B-Schools.

**Special Characteristics of our System:**

- Apart from the subject knowledge, soft skills like good writing skills, listening skills, presentation skills, interpersonal skills, leadership crisis management skills, problem solving skills etc., would be emphasized in view of its importance in the contemporary job market.
- Provide facilities for industrial visits.
- Greater Industry-Academia relationships - Arrange Guest lectures from expert academicians and industry experienced people. A detailed industry visit report based on the field visits should be made an integral part of the course.

**Technology**

Our Company is equipped with modern and latest technology. All our study centres are equipped with modern classrooms having internet connectivity, presentation facilities, an adequately stocked library and computer laboratory.

**Collaborations**

We have not entered into any technical or other collaboration. However we are affiliated to various Universities as part of our normal business practice.

**Competition**

Till now the education market was a forte of the non-profit making organisations. However, with the Government/UGC allowing private universities to be set up, there is a lot of activity on the private sector entering the space of education. Colleges/institutions upto the graduate level are highly regulated by government policies. However, the market where we are entrenched, there is no regulation, other than an affiliation required by a recognised University.

We face competition from both organized players like NIIT, Educomp, Aptech and Everonn amongst others. We believe that we are able to compete effectively in the market with the infrastructure facilities, pool of faculty, diversity in the Courses, brand recognition, and effective Course delivery process. We continuously endeavour to increase the number of Courses and campuses and to further diversify into different areas in the industry.

**Infrastructure Facilities****Utilities**

Our Company mainly requires the following utilities at its study centres:

**Power**

Power connection is used from the electricity connections already available at our locations. Computer laboratories at the study centres have UPS sets for continuity in case of power outage.

**Water**

Water connections at all our locations have been provided by the respective municipal authorities.

**Manpower**

The following is the break-up of our employees as on August 30, 2011:

Description	Mumbai	New Delhi	Ahmedabad	Regd Office	Total
Management	1	1	1	3	6
Academic Staff	6	6	1	0	13
Support Staff	4	8	0	1	13
<b>Total</b>	<b>11</b>	<b>15</b>	<b>2</b>	<b>4</b>	<b>32</b>

We intend to recruit the following persons for our proposed campuses as under. We do not envisage any difficulty in recruiting the same and would be recruited mainly through referrals.

Description	Number
Campus Head	5
Mktg Head-Campus	5
Mktg Executive	10
Counsellors	10
Admin & Support Staff	10
Project management executives	3
<b>Total</b>	<b>43</b>

**Export Obligations**

Our Company does not have any export obligations.

**Past Production Figures Industry wise**

Since our Company operates in the service sector, production figures have not been presented.

**Intellectual Property Rights**

Currently we do not have any IPRs registered. However, we have applied for registration of IPRs, which is outlined in the table indicated below:

**Applied for**

Sr. No	Description	Date of Application	Application Number & Status	Issuing Authority
1.	Times Academy Limited	May 13, 2009	Trade Marks Registry, New Delhi	41
2	Times Academy	June 24, 2006	Trade Marks Registry, New Delhi	41
3	Times Knowledge	July 13, 2006	Trade Marks Registry, New Delhi	41
4.	Times Management and Educational Studies	April 17, 2007	Trade Marks Registry, New Delhi	41

5.	Times Public School	April 17, 2007	Trade Marks Registry, New Delhi	41
6.	Times College of Professional Studies	April 17, 2007	Trade Marks Registry, New Delhi	41
7.	Times College of Professional Studies (logo)	April 10, 2009	Trade Marks Registry, New Delhi	41
8.	Times College (logo)	April 10, 2009	Trade Marks Registry, New Delhi	41

## **Property**

### **Properties taken on license/lease by our Company**

<b>Sr. No</b>	<b>Description of Property</b>	<b>Name of Lessor</b>	<b>Agreement Date, Lease period</b>	<b>Amount</b>	<b>Total Area</b>	<b>Purpose</b>
1.	A-39, Kailash Colony New Delhi -110 048	Mrs. Harcharan Kaur, Mrs. Iqbal Kaur, Mrs. Inderjit Kaur, Mr. Urmeet Singh and Mr. Manmeet Singh	May 01, 2007 and valid for 5 years from the date of agreement	Initial rental of ₹ 4,00,000 per month with absolute escalation clause as mentioned in the agreement  Security deposit of ₹ 18,00,000	15,000 sq.ft	Registered Office and campus
2.	54, South Park Apartments, B-Block, Kalkaji, New Delhi	Mr. Pramod Sharma	February 04, 2011 and valid for 3 years from the date of agreement	Initial rental of ₹ 45,000 per month with 10% escalation every year  Security deposit of ₹ 90,000	~ 1,500 sq.ft	Residence for Managing directorm
3.	1401, 14th floor Platinum Techno Park Vashi, Navi Mumbai	Jinit Properties Private Limited	May 06, 2010 till March 15, 2015	Initial rental of ₹ 2,10,000 per month with absolute escalation as mentioned in the agreement  Security deposit of ₹ 15,00,000	7,000 sq.ft	Study Center
	1402, 14th floor Platinum Techno Park Vashi, Navi Mumbai	Aneri Properties Private Limited	May 06, 2010 till March 15, 2015	Initial rental of ₹ 2,10,000 per month with absolute escalation as mentioned in the agreement  Security deposit of ₹ 15,00,000	7,000 sq.ft	Study Center
4.	Corporate House No. B1 Asirvad Paras, Opp Auda Garden Prahlad Nagar, Ahmedabad	Shri Hari Associates	April 07, 2010 on wards for a period of 36 months	Initial rental of ₹ 5,17,750 per month with absolute escalation as mentioned in the agreement  Security deposit of ₹ 15,53,250	13,625 sq.ft	Study Center



## **KEY REGULATIONS AND POLICIES**

There are no specific laws in India governing the industry in which we operate in India. The significant legislations and regulations that generally govern our industry in India are acts such as the Income Tax Act, 1961, Service Tax Rules, 1994, Employees State Insurance Act, 1948, Shops & Establishment Act of the various states in India, Employees Provident Fund and Miscellaneous Act 1952, and such other acts as applicable.

## HISTORY AND CERTAIN CORPORATE MATTERS

### History of our Company

Our Company was incorporated as ‘*Times Academy Limited*’ a private limited company under the Companies Act pursuant to Certificate of Incorporation dated June 01, 2006 bearing CIN U80301DL2006PLC149375 of 2006-07 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company received its certificate for Commencement of Business on September 29, 2006. Our corporate identification number is U80301DL2006PLC149375.

Our Company is promoted by Mr. Rahul Beri and Mr. Sanjay Bakliwal. We provide professional educational services in India. Our educational programs are targeted for students who have cleared higher secondary examinations in the area of Management, Information Technology, Banking, Finance, Insurance, Media, and Infrastructure amongst others. We offer the courses in the above fields through our campuses in New Delhi, Navi Mumbai and Ahmedabad.

For further details of our Company’s activities, products and the growth of our Company, please refer to the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 57 and 111 respectively, of the Draft Red Herring Prospectus respectively.

### Changes in our Registered Office:

Our Company’s Registered Office is currently situated at A-39, Kailash Colony, New Delhi -110 048. Details of changes in the address of the Registered Office of our Company are set forth as under:

From	To	Effective Date	Reason
E-25/B, 1 <sup>st</sup> Floor, Jawahar Park, Laxmi Nagar, Delhi – 110 092	A-39, Kailash Colony, New Delhi -110 048	January 28, 2001	For administrative convenience

The total number of members of our Company as on the date of filing of the Draft Red Herring Prospectus is sixty one (61). For further details, please refer the chapter titled ‘*Capital Structure*’ beginning on page 17 of the Draft Red Herring Prospectus.

### Main Objects of our Company:

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

- To start, establish, run take over or manage and maintain Educational Institutes, with an object to provide international standard pre-primary, primary middle, secondary, senior secondary and higher secondary to children by seeking recognition, affiliation and accreditations as per government guidelines and rules;*
- To start, establish, run and manage schools, colleges and Training Institution in Management, medical, Engineering, Nursing, Pharmacy, Aviation Law, Vocational, profession, Technical, Non-Technical, Information Technology, Corporate Training, Science, Sports, Fine Arts, Crafts, Music Painting, Modelling, Dancing, Yoga, Physical Education and in all other professional training subjects as per the government guidelines and government rules;*
- To conduct research in educational and other disciplines on the different subjects relating to Education;*
- To establish run and manage Educational park in any part of India;*
- To provide services for educational institutes by developing content, through publishing web based, development, online development, software, educational aid products and also provide technical, managerial, intellectual skills for running of the Institutions;*
- To provide professional training to educational institutions and corporate companies;*

### Amendments to the MoA of our Company since Incorporation:

Since incorporation, the following amendments have been made to the MoA of our Company:

Sr. No.	Particulars of Change	Date of Shareholders' Meeting	AGM/EGM
1.	<b>Increase in Authorised Capital</b> Clause V of our Memorandum of Association amended for increase in the Authorised Share Capital of our Company from ₹ 1,00,00,000 to ₹ 3,50,00,000	January 17, 2007	EGM
2.	<b>Increase in Authorised Capital</b> Clause V of our Memorandum of Association amended for increase in the Authorised Share Capital of our Company from ₹ 3,50,00,000 to ₹ 5,50,00,000	February 19, 2008	EGM
3.	<b>Reclassification of Authorised Capital</b> Clause V of our Memorandum of Association amended for reclassification of Preference Share Capital to Equity Share Capital	March 02, 2009	EGM
4.	<b>Increase in Authorised Capital</b> Clause V of our Memorandum of Association amended for increase in the Authorised Share Capital of our Company from ₹ 5,50,00,000 to ₹ 10,00,00,000	July 02, 2010	EGM
5.	<b>Increase in Authorised Capital</b> Clause V of our Memorandum of Association amended for increase in the Authorised Share Capital of our Company from ₹ 10,00,00,000 to ₹ 13,00,00,000	August 25, 2011	EGM

#### Key Events and Milestones:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Event
June 1, 2006	Our Company was incorporated
August 2007	Commencement of first Classes
October 2007	Launch of Management Programs
September 4, 2008	Times Business school received an approval from Guru Jambheshwar University of Science and Technology, Hisar to establish a Study Centre
June 2009	Accreditation with American Council of University Accreditation
January 2010	Start of Navi Mumbai Campus
April 2010	Ahmedabad Campus Launched
November 2010	NCC Affiliation
May 2010	PTU Affiliation
August 2010	Bhartiyar University Affiliation
March 2011	Affiliated to NCC Education, Manchester, UK
July 2011	Started IT training for students enrolled with ICAI

#### Subsidiaries and Holding Company:

As on the date of the Draft Red Herring Prospectus our Company does not have any subsidiary company and our Company is not a subsidiary of any company.

#### Funds raising through equity or debt:

For details in relation to our funds raising activities through equity and debt, please refer to the chapters titled 'Financial Indebtedness' and 'Capital Structure' beginning on pages 117 and 17 respectively, of the Draft Red Herring Prospectus.

#### Revaluation of assets:

Our Company has not revalued its assets since its incorporation.

**Changes in the activities of our Company during the preceding five years:**

There has been no change in the activities being carried out by our Company during the preceding five years from the date of the Draft Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

**Injunctions or Restraining Orders:**

Our Company is not operating under any injunction or restraining order.

**Defaults or Rescheduling of borrowings with financial institutions / banks:**

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

**Strikes and lock-outs:**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of the Draft Red Herring Prospectus, our employees are not unionized.

**Time and cost overruns in setting up projects:**

As on the date of the Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

**Shareholders' agreement:**

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

**Strategic Partners:**

Our Company does not have any strategic partner(s) as on the date of the Draft Red Herring Prospectus.

**Financial Partners:**

As on the date of the Draft Red Herring Prospectus our Company does not have any other financial partners.

## OUR MANAGEMENT

As per the Articles of Association of our Company, our Board is required to have not less than three Directors and not more than twelve Directors. As on the date of the Draft Red Herring Prospectus, our Board consists of five Directors. The Chairman and Managing Director of our Company Mr. Rahul Beri is an Executive Director. Further, apart from our Chairman and Managing Director, our Board has one Executive Director and in compliance with the requirements of clause 49 of the Listing Agreement, three Independent Directors.

### Our Board

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

Sr. No.	Name, Nationality, Age, Designation, Occupation and Address, DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	<b>Mr. Rahul Beri</b>  <i>Designation:</i> Chairman and Managing Director <i>(Executive and Non Independent)</i>  <i>Address:</i> E11, Ganesh Nagar Pandav Nagar Complex, New Delhi-110 092  <i>Nationality:</i> Indian  <i>Age:</i> 33 years  <i>Occupation:</i> Business  <i>DIN:</i> 00380495	<i>Date of appointment:</i> Since incorporation  <i>Term:</i> Reappointed as Chairman and Managing Director for a period of two years commencing from June 01, 2011.	<i>Public Limited Companies:</i>  Nil  <i>Private Limited Companies:</i>  Nil
2.	<b>Mr. Regi George</b>  <i>Designation:</i> Executive Director <i>(Executive and Non Independent)</i>  <i>Address:</i> E-242, 3 <sup>rd</sup> Floor, Greater Kailash, New Delhi – 110 048  <i>Nationality:</i> Indian  <i>Age:</i> 56 years  <i>Occupation:</i> Service  <i>DIN:</i> 03294804	<i>Date of appointment:</i> As Additional Director on April 2, 2010.  <i>Term:</i> Appointed as a Wholetime Director w.e.f. January 01, 2011 for a period of 2 years. Liable to retire by rotation	<i>Public Limited Companies:</i>  Nil  <i>Private Limited Companies:</i>  1.
3.	<b>Mrs. Meera S. Korde</b>  <i>Designation:</i> Director <i>(Non-executive and Independent)</i>  <i>Address:</i> House No. 104, Building No. B-2, Saket Complex, Thane-400601  <i>Nationality:</i> Indian  <i>Age:</i> 63 years	<i>Date of appointment:</i> As Director on October 13, 2010.  <i>Term:</i> Liable to retire by rotation	<i>Public Limited Companies:</i>  Nil  <i>Private Limited Companies:</i>  Nil

<b>Sr. No.</b>	<b>Name, Designation, Address, Date of Appointment as Director and Term of Office</b>	<b>Other Directorships</b>
	<p><i>Occupation:</i> Professional</p> <p><i>DIN:</i> 03322567</p>	
4.	<p><b>Mr. Yashpal Saini</b></p> <p><i>Designation:</i> Director (Non-executive and Independent)</p> <p><i>Address:</i> C-27, Chandan Nagar, Ghaziabad, Uttar Pradesh- 201011</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 50 years</p> <p><i>Occupation:</i> Professional</p> <p><i>DIN:</i> 03268741</p>	<p><i>Date of appointment:</i> As Director on September 30, 2010.</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Public Limited Companies:</i> Nil</p> <p><i>Private Limited Companies:</i> Nil</p>
5.	<p><b>Mr. Deepak Mhatre</b></p> <p><i>Designation:</i> Director (Non-executive and Independent)</p> <p><i>Address:</i> At.-Vayal, Post-Chowk, Tal.- Khalapur, Dist.-Raigad - 410206</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 27 years</p> <p><i>Occupation:</i> Service</p> <p><i>DIN:</i> 3624860</p>	<p><i>Date of appointment:</i> As Director on September 5, 2011</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Public Limited Companies:</i> Nil</p> <p><i>Private Limited Companies:</i> Nil</p>

As on the date of the Draft Red Herring Prospectus:

- None of the above mentioned Directors are on the RBI List of wilful defaulters.
- None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- None of the Promoters, Directors or persons in control of our Company, has been 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 SEBI or any other regulatory authority.
- None of our Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.
- 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 Profile of our Directors**

### **Mr. Rahul Beri, Chairman and Managing Director**

Rahul Beri, aged 34 years, is the Founder and Chairman & Managing Director of our Company. He has been a Director of our Company since incorporation. He completed his Bachelors of Commerce and Masters of Economics from Calcutta University. He has 8 (eight) years of experience in the education industry. He is responsible for smooth functioning and provides strategic guidance to our Company on all matters.

### **Mr. Regi George, Executive Director**

Mr. Regi George, aged 56 years, is the Executive Director of the Company. He has completed Bachelor of Science from University of Madras. He has further completed Bachelor of Education and Masters of Education from University of Madras. He has over 30 (thirty) years of work experience in the field of education. He was an Assistant Teacher at Grasim Vidyamandir, Birlagram, Madhya Pradesh from April 1977 to December 1979. He was a Senior Teacher at Ansar-Ud-Deen Comprehensive High School, Nigeria from January 1980 to December 1986. Further, he has been associated with St. Paul's School, Begusarai from April 1987 to March 2003 in various capacities. Since April 2003, he was responsible for managing English Medium schools run by the Diocesan Educational Society of Patna Diocese, Church of North India, New Delhi. He joined our Company on April 2, 2010 and is responsible for overall management of academic related matters.

### **Mrs. Meera S. Korde, Independent Director**

Mr. Meera S. Korde, aged 63 years, is the Independent Director of our Company. She has completed Bachelor of Science from Hyderabad University and has also completed her B.Ed. from Mumbai University. She has over 39 years of work experience in the field of education. She has previously worked as Principal with Saraswati Vidyalaya High School & Jr. College, Thane. She was also the member of the Maharashtra State Board of Secondary and Higher Education from the year 1992 to 1998. She has also worked as Secretary- Saraswati Vidya Prasark Trust, Thane. She joined our Company on October 13, 2010.

### **Mr. Yashpal Saini, Independent Director**

Mr. Yashpal Saini, aged 50 years, is the Independent Director of our Company. He has completed Bachelor of Science and is a Fellow Member of the Institute of Chartered Accountants of India. He has over 20 years of work experience in the field of accounting and finance. A practising Chartered Accountant, he is a partner of Ravi Rajan & Co, Chartered Accountants and RRSA & Co, Chartered Accountants. He joined our Company on September 30, 2010.

### **Mr. Deepak Mhatre, Independent Director**

Mr. Deepak Mhatre, aged 27 years, is the Independent Director of our Company. He has completed Bachelor of Science from Yashwantrao Chavan Maharashtra Open University (YCMOU), Nashik, and has also completed his B.A. from Mumbai University. He has further completed various Diplomas in Agriculture, Vegetable Production, Floriculture, Fruit Production and Agri –Business Management from YCMOU. He has over 3 years of work experience and works as agriculture and horticulture consultant. He joined our Company on September 5, 2011.

## **Family Relationship between our Directors**

None of our Directors are “relatives” within the meaning of section 6 of the Companies Act.

## **Borrowing powers of our Board**

Pursuant to an ordinary resolution passed at the EGM of our shareholders held on August 25, 2011 our Directors were authorised to borrow from time to time a sum not exceeding ₹ 100 crore on behalf of our Company, pursuant to the provisions of Section 293(1)(d) of the Companies Act.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled ‘Main Provisions of the Articles of Association’ beginning on page 174 of the Draft Red Herring Prospectus.

## **Remuneration / Compensation and benefits of our Directors**

## 1. Mr. Rahul Beri, Chairman and Managing Director

The remuneration payable to Mr. Rahul Beri towards salary (inclusive of perquisites, performance bonus and allowances) shall not exceed ₹ 1,00,000 per month.

## 2. Mr. Regi George, Executive Director

The total remuneration payable to Mr. Regi George towards salary (inclusive of perquisites, performance bonus and allowances) shall not exceed ₹ 1,00,000 per month.

### Non-Executive Directors

Our Independent Directors are not entitled to any sitting fees for attending meetings of the Board, or of any committee of the Board.

### Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's Equity Shares on the Stock Exchanges. Mr. Omprakash Tiwari, Compliance Officer is responsible for setting forth policies, procedures, monitoring and adherence 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.

### Shareholding of Directors

As per the Articles of Association of our Company, our Directors are not required to hold any qualification shares in our Company. The following table details the shareholding of our Directors in their personal capacity and either as sole or first holder, as on the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Directors	No. of Equity Shares held	Percentage (%) of pre-issue Equity Share in our Company
1.	Mr. Rahul Beri	6,67,500	8.67
2.	Mr. Regi George	--	--
3.	Mrs. Meera S. Korde	--	--
4.	Mr. Yashpal Saini	--	--
5.	Mr. Deepak Mhatre	--	--
	<b>Total</b>	<b>6,67,500</b>	<b>8.67</b>

### Interest of Directors

#### *Interest of Promoters, Directors and Key Managerial Personnel*

Our Directors may be deemed to be interested to the extent of remuneration payable to them for their services as Managing Director / Whole Time Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received / paid or any loan or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

The Directors may also be regarded as interested to the extent of the Equity Shares held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as Directors, members, partners, trustees and Promoters, pursuant to this Issue. The Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with any either the Director himself, other company in which they hold directorships or any partnership firm in which they are partners, as declared in their respective declarations.



Our Directors do not have any interest in any property acquired by our Company in a period of two years before the date of the Draft Red Herring Prospectus or proposed to be acquired by us as on the date of the Draft Red Herring Prospectus. For further details, please refer to the paragraph titled '*Our Property*' in the chapter titled '*Our Business*' beginning on page 57 of the Draft Red Herring Prospectus.

Further, save and except as stated otherwise under the paragraph titled '*Shareholding of Directors*' in the chapter titled '*Our Management*' beginning on page 68 of the Draft Red Herring Prospectus; in '*Annexure -XV*' under chapter titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus and under the paragraphs titled '*Interest of Promoters in our Company*' and '*Common Pursuits*' in the chapters titled '*Our Promoters and Promoter Group*' and '*Our Group Entities*' beginning on pages 81 and 85 respectively, of the Draft Red Herring Prospectus respectively, our Directors do not have any other interests in our Company as on the date of the Draft Red Herring Prospectus.

Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### **Changes in the Board of Directors during the last three years**

Save and except as mentioned herein below, there had been no change in the constitution of our Board during the last 3 years:

<b>Name of the Director</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>	<b>Remarks</b>
Mr. Sunilkumar R Singh	February 02, 2008	April 10, 2010	Resignation
Mr. Yashpal Saini	September 30, 2010	-	Appointment
Mr. Arvind Sahay	October 15, 2010	September 16, 2011	Resignation
Mr. Regi George	April 02, 2010	-	Appointment
Ms. Meera Korde	October 13, 2010	-	Appointment
Mr. Sanjay Bakliwal	June 02, 2006	March 20, 2011	Resignation
Mr. Deepak Mhatre	September 05, 2011	-	Appointment

### **CORPORATE GOVERNANCE**

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. Our Company has complied with the provisions of Clause 49 of Listing Agreement in respect of Corporate Governance specially with respect to the appointment of Independent Directors, constituting the Committees such as Shareholders/Investors Grievance Committee, Audit Committee and Remuneration Committee. Our Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.

#### **Composition of the Board of Directors**

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 49 of the Listing Agreement. Our Board has five Directors out of which three are independent directors in accordance with the requirement of clause 49 of the Listing Agreement.

In terms of the Clause 49 of the Listing Agreement, our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Remuneration Committee
3. Shareholders'/ Investors' Grievances Committee

To enable efficient functioning with regards to the activities relating to this Issue we have constituted an IPO Committee.

#### **Audit Committee**

Our Board constituted an Audit Committee, pursuant to the provisions of Section 292A of the Companies Act and in accordance with Clause 49 of the Listing Agreement. The Audit Committee was constituted at a meeting of the Board of Directors held on September 05, 2011.

As on the date of the Draft Red Herring Prospectus the Audit Committee consists of the following Directors:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Nature of Directorship</b>
1.	Mr. Yashpal Saini	Chairman	Independent Director
2.	Mrs. Meera Korde	Member	Independent Director
3.	Mr. Rahul Beri	Member	Executive and Non Independent Director

Our Company Secretary, Ms. Bhakti Khanna is the secretary to the Audit Committee.

The terms of reference of our Audit Committee are given below:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
- Appointment, removal and terms of remuneration of internal auditor.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
  - Matters required to be included in the Director's Responsibility Statement' to be included in our Board's report in terms of Clause (2AA) of Section 217 of the Companies Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to the financial statements;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchanges;
- Monitoring the, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;

11. Discussing with internal auditors on any significant findings and follow up thereon.
12. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
13. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
15. To review the functioning of the 'whistle blower' mechanism, when the same is adopted by our Company and is existing.
16. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
18. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial information and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
19. Terms of reference, power, quorum and other matters in relation to the Audit Committee will be as per Clause 49 of Listing Agreement

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit Committee, reasons for disagreement shall have to be minuted in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

### Meeting of Audit Committee

The Audit Committee is required to meet at least four times in a year and not more than three months will elapse between two meetings. The quorum will be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present.

### Remuneration Committee

The constitution of the Remuneration Committee was approved at a meeting of the Board of Directors held on September 05, 2011. As on the date of the Draft Red Herring Prospectus the Remuneration Committee consists of the following Directors:

Sr. No.	Name	Designation	Nature of Directorship
1.	Mrs. Meera S. Korde	Chairman	Independent Director
2.	Mr. Yashpal Saini	Member	Independent Director

3.	Mr. Deepak Mhatre	Member	Independent Director
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Our Company Secretary, Ms. Bhakti Khanna, is the secretary to the Remuneration Committee.

The scope of Remuneration Committee shall include but shall not be restricted to the following:

1. to ensure that our Company has formal and transparent procedures for the selection and appointment of new directors to the board and succession plans;
2. to develop and implement a plan for identifying and assessing competencies of directors;
3. to identify individuals who are qualified to become board members, taking into account a variety of factors, including, but not limited to:
  - a) the range of skills currently represented on the board;
  - b) the skills, expertise, experience (including commercial and/or industry experience) and particular qualities that make individuals suitable to be a director of our Company; and/or
  - c) the individual's understanding of technical, accounting, finance and legal matters;
4. to make recommendations for the appointment and removal of directors;
5. ensure that our Company has in place a programme for the effective induction of new directors;
6. to review, on an ongoing basis, the structure of the board, its committees and their inter relationship;
7. to recommend to the Board, the remuneration packages of our Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
8. to be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing / Joint Managing / Deputy Managing / Whole-time / Executive Directors, including pension rights and any compensation payment;
9. to implement, supervise and administer any share or stock option scheme of our Company; and
10. to attend to any other responsibility as may be entrusted by the Board within the terms of reference.

#### **Shareholders' / Investors' Grievances Committee**

The Shareholders' / Investors' Grievance Committee has been formed by the Board of Directors at the meeting held on September 05, 2011. As on the date of the Draft Red Herring Prospectus the Shareholders' / Investors' Grievance Committee consists of the following Directors:

Sr. No.	Name	Designation	Nature of Directorship
1.	Mr. Yashpal Saini	Chairman	Independent Director
2.	Mr. Deepak Mhatre	Member	Independent Director
3.	Mr. Regi George	Member	Independent Director

Our Company Secretary, Ms. Bhakti Khanna is the secretary of the Shareholders' / Investors' Grievance Committee.

This committee will address all grievances of Shareholders / Investors in compliance of the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges and its terms of reference include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

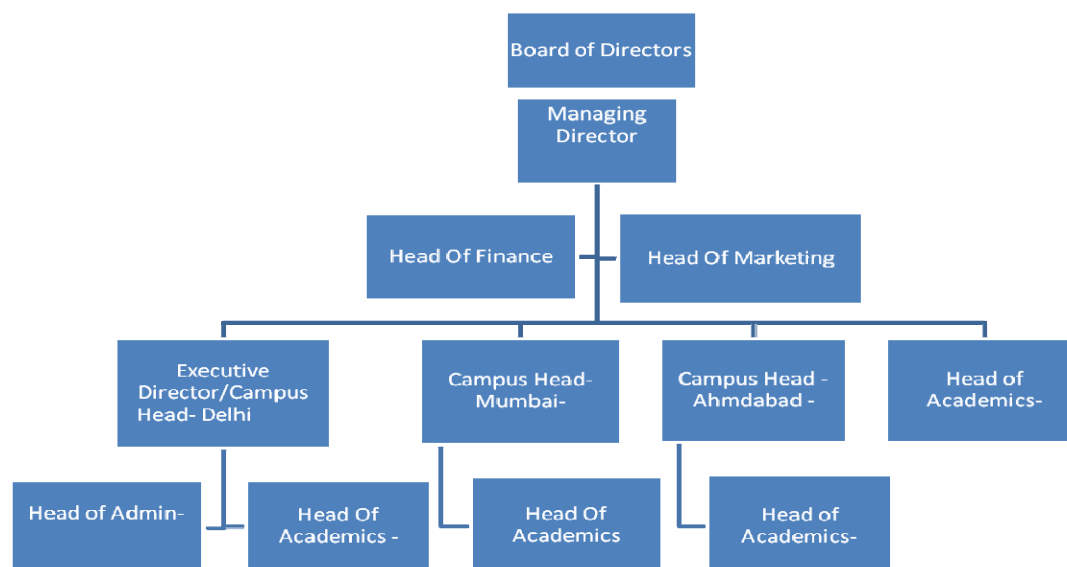
2. Redressal of shareholders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.

The quorum necessary for a meeting of the Shareholders' / Investors' Grievance Committee shall be two members.

#### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's shares on the Stock Exchanges. Our Company Secretary is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

## Organisational chart of our Company



## Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

1. **Mrs. E. O. George**, aged 51 years is the Vice President – HR & Administration of our company. She has completed her B.Sc. and B.Ed. from Kerela University. Prior to joining our company she was Officiating Principal cum Incharge in St. Paul's School, Begusarai. She has worked as Assistant Teacher in Balikamadom School at Kerela and Ansar Ud Deen Comprehensive High School in Nigeria, West Africa. She has 22 years experience in Teaching and 6 years experience in School Administration and Finance Management. She joined our company on January 06, 2011. She is overall responsible for the day to day HR & Administration functions of our Company. The gross remuneration paid to her during Fiscal 2011 was ₹ 1.23 Lacs.
2. **Mrs. Lakshmi Mohan**, aged 43 years is the Campus Head – Mumbai, of our Company. She is a Graduate in Commerce from University of Bombay and Post Graduate in Arts from Annamalai University. She has completed her B.Ed. from Annamalai University. She has completed her Graduation Diploma in Education Management from Narsee Monjee Institute of Management Studies. Prior to joining our Company she was employed with ICFAI National College, Vashi as Campus Head from January 2005 to April 2010. She has around 15 years of experience in Educational Institutions as a teacher, trainer, and coordinator. She joined our Company on April 19, 2010. As a campus head, she is responsible for devising establishing and supervising of various programs at the Mumbai campus, including student and staff academic performance. The gross remuneration paid to her during Fiscal 2011 was ₹ 8.87 Lacs.
3. **Mr. Bishnu Prasad Sarkar**, aged 68 years, is the Head of Department – Academics Delhi Campus of our company. He has completed his Master of Statistics from Indian Statistical Institute. He has also completed his Master of Arts from University of Leeds He had 16 years experience in Academic/Research Organization, 4 years experience in Central Government in the Ministry of Industry and Department of Tourism, 5 years in Private Sector which includes Chandra International and Manor Floatel Limited and 20 years of experience with India Tourism Development Corporation. He was also associated with Delhi Campus of Bangalore School of Business as Dean and Registrar. He joined our company on August 17, 2010. His responsibilities are conducting lectures for Statistics, Business Mathematics, Assets & Investment Management and International Management, managing Academic Operations, alliance with Guest Faculty and dignitaries. The gross remuneration paid to him during Fiscal 2011 was ₹ 2.41 Lacs.

4. **Mr. V. Ramachandran**, aged 64 years is the Head of Department – Academics Mumbai Campus of our company. A Commerce Graduate from Delhi University, he is also a qualified Chartered Accountant from the Institute of Chartered Accountants of India, New Delhi. Prior to joining our company he was Associate Professor in SIES College of Management Studies for corporate and Fiscal Tax Planning, Financial Accounting and Financial Management, Cost Accounting. He was Visiting Faculty in various College & Institutions. He has around 8 years of experience in Teaching Financial Accounting, Financial Management, cost Accounting and Taxation and 20 years experience in the field of finance and accounting. He joined our Company on July 19, 2010. His responsibilities in our Company include conducting Lectures to MBA & BBA Class and counseling students. The gross remuneration paid to him during Fiscal 2011 was ₹ 4.19 Lacs.
5. **Dr. Manishi Yadav**, aged 28 years is the Head of Department – Academics. She had completed her Ph.D. in Social Science from University of Rajasthan and thereafter joined our Company on February 01, 2011. Her responsibilities in our Company include include conducting Lectures to for students enrolled and counseling them. The gross remuneration paid to him during Fiscal 2011 was ₹ 40,000/-
6. **Mr. Omprakash Tiwari**, aged 41 years is the Head of Finance of our company. He is a Bachelor of Arts from Ranchi University and has also completed his Masters in Business Administration (Marketing) from YCOMU Nashik. Prior to joining our company he was worked with CITI Bank, GE Money, Indiabulls Housing Finance Limited and Deutsche Bank. He has around 10 years of experience in Finance and Credit. He joined our Company on July 01, 2011. He looks after the entire finance function of our Company. The gross remuneration paid to him during Fiscal 2011 was nil.
7. **Mr. Santosh Karangutkar**, aged 36 years is the Head of Marketing of our company. A Commerce Graduate from University of Mumbai. He has also completed his MS-CIT from YCMOU Nashik. Prior to joining our company he has worked with ICAI National College, M/s Dawn Apparels. He has around 16 years of experience in Accounts and Finance. He joined our Company on August 1, 2011. His responsibilities in our Company include marketing and business promotion which includes understanding the economic condition surrounding business activity such as industry trend and competition, Market research and continue gathering of information, Preparing detail planning and implementation. The gross remuneration paid to him during Fiscal 2011 was nil.

#### Notes:

- All the Key Managerial Personnel mentioned above are on the payrolls of our Company as the permanent employees.
- There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- The key management personnel mentioned above are not related parties as per the Accounting Standard 18 except as stated in the Annexure - XV under chapter titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus.

#### Interests of Key Management Personnel

All our Key Managerial Personnel may be deemed to be interested to the extent of the remuneration and other benefits in accordance with their terms of employment for services rendered as officers or employees to our Company. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to/ in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

#### 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.

#### Shareholding of Key Managerial Personnel

As on date of the Draft Red Herring Prospectus, except as provided below, none of our Key Managerial Personnel are holding shares in our Company.

Sr. No.	Name of the Key Management Personnel	Number of Equity Shares	Percentage (%) of Pre Issue Equity Share in our Company
1.	Mr. Omprakash Tiwari	3,000	0.04%

#### Relation of the Key Managerial Personnel with our Promoter/Directors

None of our Key Managerial Personnel are “related” to the Promoter or Directors of our Company within the meaning of Section 6 of the Companies Act, 1956 except as stated below.

Name	Director to whom related	Nature of Relationship
Mrs. E.O. George	Mr. Regi George	Spouse

#### Bonus or profit sharing plan for Directors / Key Managerial Personnel

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

#### Change in our Key Managerial Personnel

Following have been the changes in the Key Managerial Personnel during the last three years:

Sr. No.	Name	Date of Joining	Date of Leaving	Designation
1.	Mr. Tarunditya Sahay	April 19, 2010	November 30, 2010	Resignation
2.	Mr. A.K. Sengupta	July 01, 2010	April 01, 2011	Resignation
3.	Mr. Mukesh Hans	April 01, 2010	March 27, 2011	Resignation
4.	Mr. Ravish Kumar Dhingra	April 01, 2010	July 31, 2010	Resignation
5.	Mrs. E. O. George	January 06, 2011	--	Appointment
6.	Mrs. Lakshmi Mohan	April 19, 2010	--	Appointment
7.	Bishnu Prasad Sarkar	August 17, 2010	--	Appointment
8.	Mr. V. Ramachandran	July 19, 2010	--	Appointment
9.	Dr. Minishi Yadav	May 03, 2010	--	Appointment
10.	Mr. Omprakash Tiwari	July 01, 2011	--	Appointment
11.	Mr. Santosh Karangutkar	August 1, 2011	--	Appointment

#### Employees

As on August 31, 2011, we have 32 employees. For details of the Employees/ Manpower of our Company, please refer to the paragraph titled ‘Manpower’ under chapter titled ‘Our Business’ beginning on page 57 of the Draft Red Herring Prospectus.

#### Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

#### Payment or Benefit to Officers of our Company (non-salary related)

Except as stated above and the payment of monetary and non-monetary benefits in accordance with the terms of employment or engagement, we have not paid any amount or given any benefit to any officer of our Company in a period of two years before the date of the Draft Red Herring Prospectus, nor is such amount or benefit intended to be paid or given to any officer as on the date of the Draft Red Herring Prospectus.

#### Retirement Benefits



Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

1. Mr. Rahul Beri; and
2. Mr. Sanjay Bakliwal.

The brief profiles of our Promoters are mentioned herein below:



**Mr. Rahul Beri**, aged 34 years, is the Founder and Chairman & Managing Director of our Company. He has been a Director of our Company since incorporation. He completed his Bachelors of Commerce and Masters of Economics from Calcutta University. He has 8 (eight) years of experience in the education industry. He is responsible for smooth functioning and provides strategic guidance to our Company on all matters.

PAN No: ADIPB0978R  
 Voter ID No: N.A.  
 Passport No: G8194773  
 Driving Licence: P03032002307625



**Mr. Sanjay Bakliwal**, aged 40 years, is one of the promoter of our Company. A Commerce Graduate from Ajmer University, he is also a qualified Chartered Accountant and has been a Vice Chairman of Western India Council of the Institute of Chartered Accountants of India. He was a director of our Company from June 02, 2006 till March 20, 2011.

He is a partner in S. Bakliwal & Co, Chartered Accountants and also a proprietor of Sanjay Bakliwal & Associates, Chartered Accountants. He is also a Promoter and Director of Paramount Finlease Private Limited, Naman Homemakers Private Limited, Samyak Sweet Homes Private Limited and SBC Wealthcraft Private Limited. He has provided and continues to provide strategic guidance to our Company on critical financial matters and business expansion plans.

A qualified Chartered Accountant, he has more than 15 years of experience in accounting, taxation and finance.

PAN No: ABZPB1668D  
 Voter ID No: N.A.  
 Passport No: G3358952  
 Driving Licence: MH43 20080022186

**We confirm that the permanent account number, bank account details and passport number of our promoters have been submitted to BSE and NSE, at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.**

*Further our Promoters have not been identified as willful defaulter by RBI or any other Government authority and there are no violations of Securities Law committed by our Promoters in past or pending against them. Our Promoters are not prohibited from accessing the capital markets and no order or direction has been passed by SEBI or any other regulatory/statutory authority.*

For further details of our Promoters, please refer to the chapter titled 'Our Management' on page 68 of the Draft Red Herring Prospectus.

### Our Promoter Group

Our Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations is as under:

#### i. Natural Persons who form part of our Promoter Group:

The following natural persons (being the immediate relatives of our Promoters in terms of the SEBI ICDR Regulations) form part of our Promoter Group:

Relationship	Mr. Rahul Beri	Mr. Sanjay Bakliwal
Father	Pravin Patel	Parsamal Bakliwal
Mother	Nirupama Patel	Shakuntala Bakliwal
Spouse	Aakriti Beri	Seema Bakliwal
Brother	--	Ashok Bakliwal
		Sunil Bakliwal
Sister	--	Chandrakanta Patodi
Son	Vivaan Beri	Naman Bakliwal
		Samyak Bakliwal
Daughter	--	--
Spouse's Father	Nirmal Singh	Kamalchand Jain
Spouse's Mother	Anita Singh	Hiramani Devi Jain
Spouse's Brother	Sidharth Singh	Vikash Jain
	Ankit Singh	
Spouse's Sister	--	Madhu Jain
		Lata Jain

## ii. Entities forming part of the Promoter Group

### i. Companies promoted by the promoters

1. Paramount Finlease Private Limited
2. Naman Homemakers Private Limited
3. Samyak Sweet Homes Private Limited
4. SBC Wealthcraft Private Limited

### ii. Companies promoted by the immediate relatives of the promoters

1. Tirthesh Realtors Private Limited
2. Trishla Construction Private Limited
3. Nirav Properties Private Limited
4. Infratech Designs Private Limited

### iii. Hindu Undivided Family

1. Sanjay Bakliwal (HUF)

### iv. Partnership Firm

1. S. Bakliwal & Co., Chartered Accountants

### v. Proprietary Concern

1. Sanjay Bakliwal & Associates, Chartered Accountants

## Relationship of Promoters with each other and with our Directors

None of our Promoters are related to any of our Company's Directors.

## Changes in our Promoters

Our present Promoters are our original Promoters and there have been no changes in the control of our Company since its incorporation.

## Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

None of our Promoters have disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of the Draft Red Herring Prospectus.

**Common Pursuits**

There are no common business pursuits amongst our promoter group companies and our Company.

**Interest of Promoters**

Our Promoters who are also Directors of our Company may be deemed to be interested to the extent of fees, if any payable to them for attending meeting of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses payable to them as per the terms of our Articles and relevant provisions of Companies Act. Our Promoter Directors may also be deemed to be interested to the extent of Equity Shares held by their relatives in our Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of the Draft Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated otherwise in the Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

Further, our Promoters are also directors on the boards of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please refer to the Annexure - XV under chapter titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus.

**Payment or Benefit to Our Promoter in the last two years**

Except as mentioned in the chapter titled '*Our Management*' and in the section titled '*Financial Information*' beginning on pages 68 and 91 respectively, of the Draft Red Herring Prospectus, no payment has been made or benefit given to our Promoters in the two years preceding the date of the Draft Red Herring Prospectus.

There is no bonus plan for our Promoters. Except as disclosed in the chapter titled '*Our Management*' of the Draft Red Herring Prospectus, our Promoters are not entitled to a profit-sharing plan.

**Other Ventures of our Promoters**

Save and except as disclosed in the chapter titled '*Our Group Entities*' beginning on page 85 of the Draft Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

**Interest in the Property of our Company**

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

**Related Party Transactions**

For details on our related party transactions please refer to the paragraph titled '*Property*' in the chapter titled '*Our Business*' beginning on page 57 of the Draft Red Herring Prospectus, the paragraph titled '*Interest of Directors*' under the chapter titled '*Our Management*' beginning on page 68 of the Draft Red Herring Prospectus and in the Annexure - XV under the chapter titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus.

**Other confirmations**

Our Promoter and Promoter Group confirm that they have not been declared as a wilful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Promoter, Promoter Group, Group Entities or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group or Group Entities or the Companies with which our Promoter is or was associated as a promoter have not been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

## OUR GROUP ENTITIES

As on the date of the Draft Red Herring Prospectus, following entities that are promoted by our Promoters (including companies under the same management pursuant to Section 370 (1B) of the Companies Act) form part of our Group Entities and thus, are our Group Companies as defined under SEBI ICDR Regulations:

Sr. No.	Name of Group Entities
<b>Companies</b>	
1.	Paramount Finlease Private Limited
2.	Naman Home Makers Private Limited
3.	Samyak Sweet Homes Private Limited
4.	SBC Wealthcraft Private Limited
<b>Partnership Firms</b>	
1.	S. Bakliwal & Co., Chartered Accountants
<b>Proprietary Concern</b>	
1.	Sanjay Bakliwal & Associates, Chartered Accountants

### 1. Group Companies

The equity shares of none of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years. Further, unless otherwise stated none of our Group Companies is a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") and none of them is under winding up. Further no application has been made, in respect of any of the Group Companies, to the Registrar of Companies for striking off their names. Additionally, none of our Group Companies have become defunct in the five years preceding the filing of the Draft Red Herring Prospectus.

#### 1. Paramount Finlease Private Limited ("PFPL")

##### Corporate Information

PFPL was incorporated on July 03, 1995 as '*Paramount Finlease Private Limited*' a private limited company under the Companies Act and registered with the Registrar of Companies, Rajasthan, Jaipur. The CIN of PFPL is U65910RJ1995PTC010306. The registered office of PFPL is situated at Balkiwal Sadan, Oswali Mohalla, Madanganj, Kishangarh, Rajasthan. PFPL is engaged in the business of financing and hire-purchase.

##### Capital Structure and Shareholding Pattern

The authorized share capital of PFPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each and paid-up share capital of PFPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each. The shareholding pattern of PFPL as on the date of the Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1.	Sanjay Bakliwal	1100	11%
2.	Seema Bakliwal	1200	12%
3.	Rajesh Sharma	100	1%
4.	Sachin Netke	2000	20%
5.	Bhavna Koli	1800	18%
6.	Kashinath Patil	1800	18%
7.	Manoj Mhatre	2000	20%
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

##### Financial Information

(₹ in lacs, except per share data)

Particulars	For the year ended March 31		
	2009	2010	2011
Equity Capital (par value ₹ 10 per share)	1.00	1.00	1.00
Reserves and Surplus	-	-	-
P&L A/c debit balance	0.08	0.09	0.16
Misc. expenditure to the extent not written off	-	-	-

Particulars	For the year ended March 31		
	2009	2010	2011
Sales/ Income	-	-	-
Profit / (Loss) after tax	-0.08	-0.01	-0.07
Earnings per share (₹)	-0.85	-0.08	-0.69
Net Asset Value Per Share (₹)	9.15	9.08	8.39
Face value (₹)	10.00	10.00	10.00

## 2. Naman Home Makers Private Limited (“NHPL”)

NHPL was incorporated on September 11, 2008, as ‘*Naman Homemakers Private Limited*’ a private limited company under the Companies Act and registered with the Registrar of Companies, Maharashtra, Mumbai. The CIN of NHPL is U45400MH2008PTC186680. The registered office of NHPL is situated at Office No. 11, 1<sup>st</sup> Floor, Mahavir Centre, Sector 17, Vashi, Navi Mumbai – 400 705, Maharashtra. NHPL is engaged in the business of real estate development.

### Capital Structure and Shareholding Pattern

The authorized share capital of NHPL is ₹ 1,50,00,000 divided into 15,00,000 equity shares of ₹ 10 each and paid-up share capital of NHPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each. The shareholding pattern of NHPL as on the date of the Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholders	Number of shares	Percentage of Share Capital (%)
1.	Seema Bakliwal	5,000	50.00
2.	Sanjay Bakliwal	5,000	50.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### Financial Information

(₹ in lacs, except per share data)

Particulars	For the year ended March 31		
	2009	2010	2011
Authorised Capital	150.00	150.00	150.00
Paid Up Equity Capital	1.00	1.00	1.00
Share Application Money Pending Allotment	0.00	95.25	12.50
Reserves and Surplus	0.01	0.07	2.93
P&L Dr. Balance	--	--	--
Misc. Expenditure to the extent not written off	0.12	1.75	1.30
Total Income	0.08	67.14	548.92
Profit / (Loss) after tax	0.01	0.06	2.86
Earnings per share (₹)	0.10	0.56	28.60
Net Asset Value Per Share (₹)	8.90	-6.80	26.30
Face Value (₹)	10.00	10.00	10.00

## 3. Samyak Sweet Homes Private Limited (“SSHPL”)

SSHPL was incorporated on September 12, 2008 as “*Samyak Sweet Homes Private Limited*” a private limited company under the Companies Act and registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of SSHPL is U45202MH2008PTC186718. The registered office of SSHPL is situated at Office No.11, 1<sup>st</sup> Floor, Mahavir Centre, Sector 17, Vashi, Navi Mumbai – 400 705, Maharashtra. SSHPL is mainly engaged in the business of real estate development and construction.

### Capital Structure and Shareholding Pattern

The authorized share capital of SSHPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each and paid-up share capital of SSHPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each. The shareholding pattern of SSHPL as on the date of the Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholders	Number of shares	Percentage of Share Capital (%)
1.	Seema Bakliwal	5,000	50.00
2.	Sanjay Bakliwal	5,000	50.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

**Financial Information***(₹ in lacs, except per share data)*

Particulars	For the period ended March 31		
	2009	2010	2011
Authorised Capital	1.00	1.00	1.00
Paid Up Equity Capital	1.00	1.00	1.00
Share Application Money Pending Allotment	0.00	0.00	0.00
Reserves and Surplus	0.01	0.00	0.00
P&L Dr. Balance	--	0.04	0.08
Misc. Expenditure to the extent not written off	0.12	0.09	0.06
Total Income	0.07	0.00	0.00
Profit / (Loss) after tax	0.01	(0.04)	(0.04)
Earnings per share (Rs.)	0.06	(0.42)	(0.41)
Net Asset Value Per Share (Rs.)	8.86	8.74	8.63
Face Value	10.00	10.00	10.00

**4. SBC Wealthcraft Private Limited ("SBCWPL")**

SBCWPL was incorporated on May 13, 2010 as "*S Bakliwal Consultants Private Limited*" a private limited company under the Companies Act and registered with the Registrar of Companies, Maharashtra, Mumbai. The name of the Company was changed to its present name "*SBC Wealthcraft Private Limited*" vide a fresh certificate of incorporation dated July 15, 2011, issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of SBCWPL is U74999MH2010PTC203117. The registered office of SBCWPL is situated at Office No. 401-405, I Wing, Arenja Plaza, Plot No. 52, Sector 15, CBD Belapur, Navi Mumbai – 400 614, Maharashtra. SBCWPL is mainly engaged as financial and management consultant.

**Capital Structure and Shareholding Pattern**

The authorized share capital of SBCWPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each and paid-up share capital of SBCWPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each. The shareholding pattern of SBCWPL as on the date of the Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholders	Number of shares	Percentage of Share Capital (%)
1.	Sanjay Bakliwal	7,000	70.00
2.	Nilesh Patil	2,000	20.00
3.	Manoj Mhatre	1,000	10.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

**Financial Information***(₹ in lacs, except per share data)*

Particulars	For the year ended March 31, 2011
Authorised Capital	1.00
Paid Up Equity Capital	1.00
Share Application Money Pending Allotment	-
Reserves and Surplus	0.01
P&L Dr. Balance	-
Misc. Expenditure to the extent not written off	0.20
Total Income	0.25
Profit / (Loss) after tax	0.01



Earnings per share (₹.)	0.08
Net Asset Value Per Share (₹.)	8.08
Face Value (₹.)	10.00

## 2. Partnership Firm

### 1. M/s. S. Bakliwal & Co., Chartered Accountants

M/s. S. Bakliwal & Co., Chartered Accountants is a partnership firm formed under the Partnership Act, 1932 *vide* a partnership deed dated June 25, 2007. M/s S. Bakliwal & Co., Chartered Accountants has its office at Office No. 401-405, I Wing, Arenja Plaza, Plot No. 52, Sector 15, CBD Belapur, Navi Mumbai – 400 614, Maharashtra. The firm was reconstituted *vide* a partrenship deed dated April 01, 2009. The firm is engaged as a Chartered Accountant firm providing audit, taxation, accounting and management consultancy services.

As on the date of the Draft Red Herring Prospectus, M/s. S. Bakliwal & Co., Chartered Accountants has three partners, Mr. Sanjay Bakliwal, Mr. Nilesh Patil and Mr. Manoj Mhatre. The partners share the profits and losses in the ratio of 70:20:10.

#### Financial Information

Particulars	For the year ended March 31		
	2009	2010	2011
Income	27.89	39.72	55.87
Net Profit	5.99	10.93	12.23
Partners Capital	2.41	9.21	13.44

(₹ in lacs)

## 3. Proprietary Concern

### 1. Sanjay Bakliwal & Associates, Chartered Accountants

Sanjay Bakliwal & Associates, Chartered Accountants is a proprietorship concern of Mr. Sanjay Bakliwal and has its office at Office No. 401-405, I Wing, Arenja Plaza, Plot No. 52, Sector 15, CBD Belapur, Navi Mumbai – 400 614, Maharashtra. The firm is engaged as a Chartered Accountant firm providing audit, taxation, accounting and management consultancy services.

#### Financial Information

Particulars	For the year ended March 31		
	2009	2010	2011
Income	29.31	26.07	21.51
Net Profit	19.32	21.77	17.77
Capital	13.26	2.10	12.94

(₹ in lacs)

#### Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

None of our Promoters have disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of the Draft Red Herring Prospectus

#### Negative Net Worth

Except as stated above, none of our Group Entities have negative net worth as on the date of the Draft Red Herring Prospectus.

#### Related Party Transactions and sales and purchases between our Company and Group Entities

Our Company has not acquired in the past two years before the date of the Draft Red Herring Prospectus nor does it propose to acquire any properties from its Group Companies. For details of related party transactions entered into by our Company with our Group Companies and/ or Promoter Group entities, please refer to Annexure - XV under chapter titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus.

### **Common Pursuits**

There are no common pursuits amongst our Company and our Promoters and Directors and our Group Companies.

### **Business interest of Group Entities in our Company**

Except as disclosed under the Annexure - XV under chapter titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus, none of our Group Entities/ associate companies have business interests in our Company.

### **Other Confirmations**

Further, our Group entities have confirmed that they have not been detained as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or currently pending against them. None of our Group entities has been (i) prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

### **Litigation**

For details relating to legal proceedings involving the Promoter and the Group Entities of our Promoter, please refer to the chapter titled '*Outstanding Litigation and Material Developments*' beginning on page 118 of the Draft Red Herring Prospectus.

### **Payment or Benefit to our Group Entities**

Except as stated in the section titled '*Financial Information*' beginning on page 91 of the Draft Red Herring Prospectus, there has been no payment of benefits to our Group Companies during the two years prior to the filing of the Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the annual general meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company has not, since incorporation, declared dividends. Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our 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.

## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL INFORMATION

**The Board of Directors,  
Times Academy Limited**  
A-39, Kailash Colony,  
New Delhi - 110 048.

**Subject: Financial Information of Times Academy Limited**

Dear Sir,

We have examined the financial information of Times Academy Limited annexed to this report, initialed by us for identification, which has been prepared in accordance with the requirements of:

- I. Paragraph B, of Part II of Schedule II of the Companies Act, 1956 (the Act”), and the amendments thereof
- II. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirement Regulation) 2009 issued by the Securities and Exchange Board of India (“SEBI”) and amendments made thereto from time to time in pursuance of section 11 of the Securities and Exchange Board of India Act, 1992; and
- III. Our engagement with the Company requesting us to examine the financial information referred to above and proposed to be included in the offer document of the Company in connection with its Proposed Issue.
- IV. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of the Times Academy Limited, we, M/s. L.T.Jadav & Company, Chartered Accountants, have been subjected 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.
- V. Audit of the financial statements for the years ended 31<sup>st</sup> March 2011, 31<sup>st</sup> March 2010, 31<sup>st</sup> March 2009, 31<sup>st</sup> March 2008 and 31<sup>st</sup> March 2007 has been conducted by Company’s Statutory Auditor, M/s Nayak Rath & Associates, Chartered Accountants. Further, financial statements for the year ended 31<sup>st</sup> March 2011 have been re-audited by us as required under the SEBI ICDR Regulations. This report, in so far as it relates to the amounts included for the financial years ended 31<sup>st</sup> March 2010, 31<sup>st</sup> March 2009, 31<sup>st</sup> March 2008, and 31<sup>st</sup> March 2007 is based on the audited financial statements of the Company which were audited by the Statutory Auditor, M/s Nayak Rath & Associates, Chartered Accountants and whose Auditors’ report has been relied upon by us for the said periods.
- VI. The Proposed public issue will be for a fresh issue by the company of 45,00,000 equity shares of ₹ 10 each, at such premium, by way of book building process, as may be decided by the Board of Directors (referred to as ‘the issue’). The Offer is made through the 100 percent book building process.
- VII. Financial Information of the Company

We have examined:

1. The attached summary statement of Restated Assets & Liabilities of the Company as at March 31 2007, 2008, 2009, 2010 and 2011 as prepared by the company and approved by the Board of Directors. (Annexure - I).
2. The accompanying summary statement of Restated Profits & Losses of the Company for the financial years ended March 31 2007, 2008, 2009, 2010 and 2011 as prepared by the Company and approved by the Board of Directors. (Annexure – II)
3. The accompanying summary statement of cash flow of the company for the financial year ended March 31 2007, 2008, 2009, 2010 and 2011 as prepared by the Company and approved by the Board of Directors (Annexure – III)

These statements reflect the Assets and Liabilities and Profit and Losses for each of the relevant years as extracted from the balance sheet and profit and loss account for those years. These financial statements for all the years have been approved by the Board of Directors of the Company and adopted by the members of the Company for the respective years. The Restated financial statements have been made after making such adjustments and regroupings and after incorporating material amounts and auditor's qualification requiring adjustments as in our opinion are appropriate and are described fully in the Notes appearing in Annexure V and Annexure VI to this report.

VIII. Based on our examination of these summary statements we confirm that the restated financial information has been made in accordance with the provisions of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations, and after incorporating:

- a. Adjustments suggested in paragraph 9 of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations,
- b. The prior period items which are required to be adjusted are properly stated.
- c. There are no extra-ordinary items that need to be disclosed separately in the accounts.
- d. The accounting policies applied for each of the years ended March 31 2007, 2008, 2009, 2010 and 2011 is materially consistent with the existing Accounting Standards (Annexure IV) except stated otherwise in Annexure-XX
- e. The Restated profits have been arrived at after charging all expenses including depreciation and after making such adjustments and regrouping as in our opinion are appropriate in the year to which they are related as described in restated Financial Statement.
- f. There was no qualification in the audit reports issued by the statutory auditors for the respective years which would require adjustment in these Restated Financial Statements
- g. Other Financial information

We have also examined the following financial information relating to the Company prepared by the management and approved by the Board of Directors for the purpose of inclusion in the Offer Document:

- i. Statement of Other Income as appearing in Annexure VII to this report.
- ii. Statement of Accounting & Other Ratios as appearing in Annexure VIII to this report.
- iii. Statement of Capitalization of the company as appearing in Annexure IX to this report.
- iv. Statement of Tax Shelters as appearing in Annexure X to this report.
- v. Statement of Secured Loans as appearing in Annexure XI to this report.
- vi. Statement of Unsecured Loans as appearing in Annexure XII to this report.
- vii. Statement of Sundry Debtors as appearing in Annexure XIII to this report.
- viii. Statement of Loans and Advances as appearing in Annexure XIV to this report.
- ix. Statement of Contingent Liabilities & Capital Commitments as appearing in Annexure XV to this report.
- x. Statement of Related Party Transaction as appearing in Annexure XVI to this report.
- xi. Statement of Dividend paid as appearing in Annexure XVII to this report
- xii. Statement of Investments as appearing Annexure XVIII to this report.
- xiii. Details of Qualification in Auditors Report as Appearing in Annexure XIX to this report

xiv. Details of Changes in significant Policies as Appearing in Annexure XX to this report

- IX. In our opinion, the above financial information of the Company read with Significant Accounting Policies & Notes to Accounts attached in Annexure IV, V & VI to this report, after making adjustments and regrouping as considered appropriate has been prepared in accordance with Part II of the Schedule II of the Act and the SEBI (ICDR) Regulations issued by SEBI, as amended from time to time subject to and read with other notes.
- X. This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us or other statutory auditor, nor should this report be construed as a new opinion on any of the financial statements referred therein.
- XI. This report is intended solely for your information and for inclusion in the Offer document in connection with the issue of Equity shares of the Company and is not be used, referred to or distributed for any other purpose without our written consent.

Thanking you

**For M/s. L.T. Jadav & Company**  
**Chartered Accountants**

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**CA. Lalit Jadav**  
**Proprietor**

**M. No: 037240**

**Place** : Mumbai  
**Date** : September 27, 2011

**Annexure-I**  
**Statement of Assets and Liabilities (As Restated)**

(₹ in Lacs)

Particulars	As At				
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
<b>A. Fixed Assets</b>					
Gross Fixed Assets	54.56	105.08	137.47	275.84	1,388.59
Less : Accumulated Depreciation	6.37	13.17	24.58	79.09	174.92
<b>Net Fixed Assets</b>	<b>48.19</b>	<b>91.91</b>	<b>112.89</b>	<b>196.75</b>	<b>1,213.67</b>
Less:- Revaluation reserves	-	-	-	-	-
<b>Net Fixed Assets After Revaluation Reserves</b>	<b>48.19</b>	<b>91.91</b>	<b>112.89</b>	<b>196.75</b>	<b>1,213.67</b>
Capital Work in Progress	-	-	-	275.93	79.93
<b>Total Fixed Assets</b>	<b>48.19</b>	<b>91.91</b>	<b>112.89</b>	<b>472.68</b>	<b>1,293.60</b>
<b>B. Investments</b>	-	-	-	-	-
<b>C. Current Assets, Loans &amp; Advances</b>					
Sundry Debtors	42.00	42.00	96.00	141.02	94.35
Cash and Bank Balances	40.08	2.97	1.77	25.51	4.77
Loans and Advances	5.82	261.50	409.19	363.54	400.67
Deferred Tax Assets	-	-	-	-	92.22
<b>Total (C)</b>	<b>87.90</b>	<b>306.47</b>	<b>506.96</b>	<b>530.07</b>	<b>592.01</b>
<b>D. Liabilities &amp; Provisions</b>					
Secured Loans	-	-	-	-	-
Unsecured Loans	-	70.50	54.72	271.25	530.39
Deferred Tax Liability (Net)	0.39	2.68	7.58	7.19	-
Current Liabilities	5.33	23.29	209.04	233.89	215.49
Provisions	0.55	1.85	8.17	25.75	1.94
<b>Total (D)</b>	<b>6.27</b>	<b>98.32</b>	<b>279.51</b>	<b>538.08</b>	<b>747.82</b>
<b>E . Net Worth ( A + B+C-D )</b>	<b>129.82</b>	<b>300.06</b>	<b>340.34</b>	<b>464.67</b>	<b>1,137.80</b>
<b>F. Represented by</b>					
Equity Share Capital	131.95	299.40	315.40	398.65	770.15
Share Premium	-	10.00	10.00	38.25	551.00
Calls in Advance/(Arrears)	0.10	(14.40)	(7.50)		
Reserves & Surplus	(0.63)	6.26	23.24	72.06	(150.43)
<b>Total</b>	<b>131.42</b>	<b>301.26</b>	<b>341.14</b>	<b>508.96</b>	<b>1,170.72</b>
Less : - Miscellaneous Expenditure not w/off	1.60	1.20	0.80	44.29	32.92
<b>G. Net Worth</b>	<b>129.82</b>	<b>300.06</b>	<b>340.34</b>	<b>464.67</b>	<b>1,137.80</b>

## Annexure - II

## Summary Statement of Profit and Loss, As Restated

(₹ in Lacs)

Particulars	For the Year / Period Ended				
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
<b>Income</b>					
<b>Sales &amp; Operating Incomes</b>					
<b>Export Income</b>					
Income from Operations	42.00	203.80	553.51	623.46	338.31
Other Income	0.35	0.22	0.81	1.11	49.99
<b>Total Income</b>	<b>42.35</b>	<b>204.02</b>	<b>554.32</b>	<b>624.57</b>	<b>388.30</b>
<b>Expenditure</b>					
Operating & Other Administrative Expenses	15.15	116.26	260.19	291.64	361.37
Advertising & Business Promotion Expenses	3.74	18.40	134.76	91.52	123.17
Personnel Cost	16.78	49.64	107.02	95.40	128.29
<b>Total Operating Expenses</b>	<b>35.67</b>	<b>184.30</b>	<b>501.97</b>	<b>478.56</b>	<b>612.83</b>
<b>PBDIT</b>	<b>6.68</b>	<b>19.72</b>	<b>52.35</b>	<b>146.01</b>	<b>(224.53)</b>
Less: Interest Cost	0.00	1.78	12.31	12.94	1.36
<b>PBDT</b>	<b>6.68</b>	<b>17.94</b>	<b>40.04</b>	<b>133.07</b>	<b>(225.89)</b>
Less: Depreciation	6.37	6.80	11.41	58.39	95.83
<b>PBT</b>	<b>0.31</b>	<b>11.14</b>	<b>28.63</b>	<b>74.68</b>	<b>(321.72)</b>
<b>Add / ( Less ) : Provision for Tax</b>					
Current Tax	0.02	1.15	3.95	22.79	0.00
Fringe Benefit Tax	0.54	0.81	1.75	0.00	0.00
Deferred Tax Liability	0.39	2.29	4.90	(0.39)	(99.41)
<b>Profit After Tax but Before Extraordinary Items</b>	<b>(0.63)</b>	<b>6.89</b>	<b>18.03</b>	<b>52.28</b>	<b>(222.31)</b>
<b>Extraordinary items</b>				(2.75)	
<b>Profit or Loss after Tax</b>	<b>(0.63)</b>	<b>6.89</b>	<b>18.03</b>	<b>49.53</b>	<b>(222.31)</b>
<b>Effect of material restatement (Gratuity)</b>			1.05	0.71	0.18
<b>PAT after Restatement</b>			16.98	48.82	(222.49)
<b>Balance brought forward from previous year</b>	<b>0.00</b>	<b>(0.63)</b>	<b>6.26</b>	<b>23.24</b>	<b>72.06</b>
<b>Net Profit Available for Appropriation</b>	<b>(0.63)</b>	<b>6.26</b>	<b>23.24</b>	<b>72.06</b>	<b>(150.43)</b>
<b>Balance carried forward as restated</b>	<b>(0.63)</b>	<b>6.26</b>	<b>23.24</b>	<b>72.06</b>	<b>(150.43)</b>



**Annexure – III****Summary Statement of Cash Flow:**

(Rs in Lacs)

Particulars		As at				
		31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
<b>A</b>	<b>Cash Flow from Operating Activities</b>					
	Profit before tax, as restated	0.31	11.14	28.63	74.68	(321.72)
	Adjustments for					
	Depreciation	6.37	6.80	11.41	58.39	95.83
	Interest	0.00	1.78	12.31	12.94	1.36
	Misc. Expenditure Written Off	0.40	0.40	0.40	11.37	11.37
	Effect of Restatement			(1.05)	(0.71)	(0.18)
	<b>Operating Income before working capital changes</b>	<b>7.09</b>	<b>20.12</b>	<b>51.70</b>	<b>156.67</b>	<b>(213.34)</b>
	<b>Adjustments for:</b>					
	Decrease/(Increase) in Sundry Debtors	(42.00)	0.00	(54.00)	(45.02)	46.67
	Decrease/(Increase) in Loans & Advances	(5.82)	(255.68)	(147.69)	45.65	(37.13)
	Increase/(Decrease) in Current Liabilities	5.33	17.96	185.75	24.85	(18.40)
	Increase/(Decrease) in Provisions	0.55	1.30	6.32	17.58	(23.81)
	<b>Cash Generated from Operations</b>	<b>(34.85)</b>	<b>(216.30)</b>	<b>42.08</b>	<b>199.73</b>	<b>(246.02)</b>
	Direct Taxes (Net)	0.56	1.96	5.70	22.79	0.00
	<b>Net Cash Flow from Operating Activities</b>	<b>(35.41)</b>	<b>(218.26)</b>	<b>36.38</b>	<b>176.94</b>	<b>(246.02)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>					
	Purchase of Fixed Assets	(54.56)	(50.52)	(32.39)	(142.24)	(1112.75)
	Decrease/(Increase) in Capital WIP		0.00	0.00	(275.93)	196.00
	Profit/(Loss) on sales of fixed assets		0.00	0.00	(2.75)	0.00
	Preliminary Expenses Paid	(2.00)			(54.87)	0.00
	<b>Net Cash used from Investing Activities</b>	<b>(56.56)</b>	<b>(50.52)</b>	<b>(32.39)</b>	<b>(475.79)</b>	<b>(916.75)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>					
	- Share Capital	131.95	167.45	16.00	83.25	371.50
	- Share Premium	0.00	10.00	0.00	28.25	512.75
	- Calls in Advance/Calls in Arrears	0.10	(14.50)	6.90	7.50	
	Change in the Borrowings					
	Secured Loans	0.00	0.00	0.00	0.00	0.00
	Unsecured Loans	0.00	70.50	(15.78)	216.53	259.14
	Interest Paid	0.00	(1.78)	(12.31)	(12.94)	(1.36)
	<b>Net Cash Flow from Financing Activities</b>	<b>132.05</b>	<b>231.67</b>	<b>(5.19)</b>	<b>322.59</b>	<b>1142.03</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>40.08</b>	<b>(37.11)</b>	<b>(1.20)</b>	<b>23.74</b>	<b>(20.74)</b>
	<b>Cash &amp; Cash Equivalents at Beginning of the Year</b>	<b>0.00</b>	<b>40.08</b>	<b>2.97</b>	<b>1.77</b>	<b>25.51</b>
	<b>Cash &amp; Cash Equivalents at End of the Year</b>	<b>40.08</b>	<b>2.97</b>	<b>1.77</b>	<b>25.51</b>	<b>4.77</b>

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'.
- Previous year's figures have been regrouped / rearranged /recasted wherever necessary to make them comparable with those of current year.

**Annexure-IV****SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation**

The financial statements have been prepared to comply in all material respect with the notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

**2. Use of Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**3. Fixed Assets**

As per Accounting Standard 10 issued by ICAI, Fixed assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**4. Depreciation & Amortization****i. Depreciation**

Depreciation is provided using the Straight Line Method at the rates prescribed under schedule XIV of the Companies Act, 1956, at following rates and in accordance with Accounting Standard 6 issued by ICAI:

<b>Asset Group</b>	<b>Rates of Depreciation / Amortization (SLM)</b>
Furniture	6.33%
Office Equipment & Plant & Machineries	10.34%
Computers and Accessories	16.21%
Motor Car	10.34%
Knowledge Based Course Content	20.00% *
Laptops	50.00% **

\*Note- Knowledge Based Course content and books were also depreciated in Five consecutive years including current year.

\*\*Note- Since Laptops were given to students free of Cost and duration of Course is two years, hence it was written off over a period of two years.

\*\*\*Note – No depreciation charged on Capital expenditure incurred on proposed centres which were not put use before the end of financial year 2010-2011

**ii. Amortization**

<b>Particulars</b>	<b>Period of Amortization</b>
Deferred Revenue Expenses	5 Years
Preliminary Expenses	5 Years

\*Note - During the year company had incurred expenses on their Proposed Centers and from these centers the Company is yet to generate revenue. Therefore it is the view to defer these expenses over a period of five years.

**5. Impairment of Assets**

As per Accounting Standard 28 issued by ICAI, Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

## **6. Foreign Currency Transactions :**

As per Accounting Standard 11 issued by ICAI During the year company incurred expenditure in foreign currency amounting to Nil. { previous year Rs.19,60,898.76/- (Euro 30,837/-)}.

## **7. Intangible Assets**

### **Goodwill**

As per AS – 26 The Company assesses at each balance sheet date whether there is any indication that the asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset and the difference if any is charged to the Profit and loss Account.

### **Content**

As per AS – 26 The Company is engaged in development of educational software content pertaining modules on various subjects based on the curriculum of various Boards, costs of which is capitalized. The company amortises the cost of such content in Five consecutive years including current year. Management regularly reviews and revises, where necessary, its total estimates which may result in a change in the rate of amortization and/or a write down of the intangible asset to fair value.

## **8. Leases**

Accounting Standard 19 issued by ICAI on 'Accounting for Leases', Financial leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account.

## **9. Revenue Recognition**

### **Revenue from Operations**

As per AS-9, the company derives its revenue by way of fees from students for various courses conducted by company as well as for other facilities provided by the company.

### **Interest**

As per AS-9, Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## **10. Borrowing Costs**

Accounting Standard 16 issued by ICAI on 'Borrowing cost' relating to acquisition of Fixed Assets which takes substantial period of time to get ready for intended use are capitalized as a part of the cost of such assets. All other Borrowing Costs are charged to revenue.

## 11. Income Taxes

Accounting Standard 22 issued by ICAI on 'Accounting for Taxes on Income' Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

	Particulars	2010-2011	2009-2010
a)	Deferred Tax Liability -Related to Fixed Asset.	-	239496/-
	Deferred tax Assets -Related to Business Losses	9221826/-	

## 12. Segment Reporting

The Company is functioning in only one segment; i.e. Education, hence, Segment Reporting required under AS 17 is not applicable.

## 13. Earning Per Share

Basic earnings per share is calculated in accordance with the Accounting Standard 20 issued by ICAI by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for the events of bonus issue; bonus element in a right issue to existing shareholders; share split; and reverse share split (consolidation of shares).

## 14. Provisions & Contingent Liabilities:

Accounting Standard 29 issued by ICAI, the Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the

amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

#### **15. Miscellaneous Expenditure:**

Miscellaneous expenditure, such as preliminary expenditure, share issue expenditure are amortized over a period of 5 years.

#### **16. Deferred Revenue Expenses:**

During the year company had not incurred any expenses which are deferred. Whereas deferred expenses incurred previously were proportionately written off during the year.

#### **17. Cash & Cash Equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand, short term investments with ordinary maturity of three months or less and fixed deposits with banks.

#### **18. Employees Benefits**

##### **a) Short Term Employees Benefits -**

All employee benefits payable within twelve months of rendering service are recognized in the period in which the employee renders the related service.

##### **b) Gratuity**

Liability towards gratuity, covering eligible employees, is provided and funded on the basis of year end actuarial valuation.

##### **c) Leave encashment**

Company does not have any leave encashment policy.

**Annexure - V****NOTES TO ACCOUNTS**

1. The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under this Act have not been given.
2. On the scrutiny assessment for the Assessment Year 2007-2008, the company received a demand notice of ₹ 63,86,790/-. Against this demand the company has filed an appeal with Appellate Authorities and decision is still awaited as on Balance Sheet date.
3. Managerial remuneration under section 198 of the Companies Act, 1956 for the Managing Director was ₹ 7,50,000/- (Previous Year Rs. 18,01,500)

**Director's Remuneration (₹)**

Particulars	March 31, 2011	March 31, 2010
Salaries	9,71,935	18,01,500
Perquisites	-	-
Contribution to Provident Fund	-	-
<b>TOTAL</b>	<b>9,71,935</b>	<b>18,01,500</b>

**4. Auditors fees includes: (₹)**

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Statutory Audit Fees	55,150	55,150
Towards Taxation Matters	-	-
Towards Other Matters	-	-
<b>Total</b>	<b>55,150</b>	<b>55,150</b>

5. Earnings in foreign exchange – On receipt basis: ₹ Nil (Previous Year: ₹ Nil)
6. Expenditure in Foreign Currency – On payment basis: Nil - (Previous Year: ₹ 1960898.76)
7. Previous year's figures have been regrouped where necessary to confirm to this year's classification.

**8. Change in accounting policy**

During the year, the Company has not changed its accounting policy.

9. **Gratuity**: The company has adequately provided for all retirement benefits based on actuarial valuation.
10. The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2011 as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year is NIL
11. The previous year figures have been regrouped, rearranged wherever necessary.

**Annexure - VI****NOTES TO ADJUSTMENTS IN RESTATED ACCOUNTS****1) Employee benefits:**

Gratuity payable to employees in accordance with the provisions of The Payment of The Gratuity Act, 1972 is a defined benefit plan as per Accounting Standard (AS) – 15 “Employee Benefits” as per Actuarial valuation certificates. The Company has provided gratuity for FY 2009, 2010 and 2011. Since the number of employees was less than 10 during FY 2007 and 2008, the Payment of Gratuity Act was not applicable. For the purpose of restatement, gratuity liability has been provided as follows:

Particulars	For the year ended 31 <sup>st</sup> March (₹ Lacs)				
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Gratuity liability	Nil	Nil	1.05	0.71	0.18

**2) Prior Period Items:**

For the purpose of restatement Prior period items have been adjusted in the periods to which it relates.

**Annexure – VII****Statement of Other income**

(Rs in Laacs)

Particulars	As at				
	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
Interest Received Bank FDR	0.35	0.22	0.01	1.11	
Rent Received			0.80		
Miscellaneous Income					49.99
<b>Total</b>	<b>0.35</b>	<b>0.22</b>	<b>0.81</b>	<b>1.11</b>	<b>49.99</b>

**ANNEXURE- VIII****Statement of Accounting and Other Ratios**

Particulars	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
Net Profit as restated (₹ Lacs)	(0.63)	6.89	16.98	48.82	(222.49)
Net Worth (₹ Lacs)	129.82	300.06	340.34	464.67	1,137.80
Return on Net Worth (%)	-0.49%	2.30%	4.99%	10.51%	-19.55%
No. of shares at the end of Year (Face Value ₹ 10/-)	2639000	2994000	3154000	3986500	7701500
Weighted No. of Equity Shares	232817	2740918	3018987	3411381	6325026
Earning per share (Rs.)	(0.27)	0.25	0.56	1.43	(3.52)
Net Asset value / Book value per share (Rs.)	9.84	10.02	10.79	11.66	14.77

Note:-

1. Earnings per share (Rs.) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
2. Return on Net worth (%) = Restated Profit after taxation / Net Worth x 100
3. Net asset value/Book value per share (Rs.) = Net worth / No. of equity shares
4. The Company does not have any revaluation reserves or extra-ordinary items.



**Annexure – IX****Capitalization Statement:**

(₹ in Laacs)

<b>Long term debt</b>	<b>31.03.2011</b>	<b>Post Issue*</b>
<b>Debt :</b>		
<b>Secured</b>		
Short term debt	0.00	
Long term debt	0.00	
<b>Unsecured</b>	530.39	
<b>Total Debt</b>	<b>530.39</b>	
<b>Shareholders Funds</b>		
Equity Share Capital	770.15	
Reserves and Surplus	-150.43	
Share Premium	551.00	
Less: Misc. Expenditure to the extent not written off	32.92	
<b>Total Shareholders Funds</b>	<b>1,137.80</b>	
<b>Total Debt / Shareholders' Fund</b>	<b>0.47:1</b>	

\* Post issue calculations can be done only on the conclusion of the book building process.

## Annexure – X

## STATEMENT OF TAX SHELTER

(₹ In Lacs)

Particulars	As at March 31				
	2007	2008	2009	2010	2011
<b>Profit Before Tax as per restated financial statements</b>	0.31	11.14	28.63	74.68	-321.72
<b>Tax rate</b>					
-- Normal Tax rate	33.66%	30.90%	30.90%	30.90%	33.22%
-- Minimum Alternative Tax rate	11.33%	11.33%	11.33%	17.00%	19.93%
<b>Notional Tax at normal rates (A)</b>	0.10	3.44	8.85	23.08	(106.87)
<b>Permanent differences</b>					
Exempted exp. u/s 10 A of IT Act	0.00	0.00	0.00	0.00	0.00
Other Adjustments	0.00	0.00	0.00	0.00	0.00
<b>Total (B)</b>	0.00	0.00	0.00	0.00	0.00
<b>Timing Differences</b>					
Depreciation as per Books	6.37	6.80	11.41	58.39	95.83
Depreciation as per Income Tax	7.62	16.00	27.26	59.36	284.55
Difference between tax depreciation and book depreciation	1.25	9.20	15.85	0.97	188.72
Other Adjustments	0.00	0.00	0.00	0.00	0.00
<b>Total (C)</b>	1.25	9.20	15.85	0.97	188.72
<b>Net Adjustments (B+C)</b>	1.25	9.20	15.85	0.97	188.72
<b>Tax Savings (D)</b>	0.42	2.84	4.90	0.30	62.69
<b>Total Taxation (E = A-D)</b>	(0.32)	0.60	3.95	22.78	(169.56)
Tax expense recognised	0.56	1.96	5.70	22.79	0.00

The statement of tax shelter has been prepared based on returns of income filed by the Company with the Income tax authorities, except for the year ended March 31, 2011 and not based on restated profits as per Annexure I. The effect of assessment/appellate orders has not been considered for the above statement.

**Annexure – XI****Statement of Secured Loans**

The Company does not have any outstanding secured loans.

**Annexure - XII****Statement of Unsecured Loans:**

(₹ in Lacs)

Particulars	As at March 31				
	2007	2008	2009	2010	2011
<b><u>From Directors</u></b>					
SANJAY BAKLIWAL (Promoter)				20.00	
G.R.GEORGE					6.80
PUKHARAJ BHANSALI		4.88	1.88		
SHANTILALJI KAWAR		3.78	1.32		
MADANLAL JAIN		9.00	9.00		
<b><u>From Related Parties</u></b>					
CHANDRA PRAKASH BHANSALI		4.88	4.88		
DINESH PUKRAJ BHANSALI		4.88	4.88		
ANIL KUMAR KAWAR		2.87	3.28		
GAUTAMCHANDJI KAWAR		2.87	0.00		
NORATAMAJI KAWAR		2.87	3.28		
SAJJANRAJJI KAWAR		2.87	3.28		
SHARPMIND DEVELOPERS		21.00	5.50		
SONANLALJI KAWAR		2.87	3.28		
S.P.BHANSALI		4.88	4.88		
SUNIL KUMARJI KAWAR		2.87	3.28		
ST.PAUL'S SCHOOL,PATNA			2.00		
MADHU JAIN					1.50
SARIKA GHORPADE					7.50
VIKAS JAIN					16.50
<b><u>From Others</u></b>					
B.DHAWAN			1.00		
ELLIGENCES INDIA			3.00		
KISHORE KRISHN PATKI				1.25	
GBK RESOURCES PRIVATE LIMITED				250.00	387.00
CLASSIC OILFIELD SUPPLIES &SERVICE PVT. LTD.					50.00
JUST MEDICINE INFO SERVICE PVT. LTD.					18.00
BISHNU PRASAD SARKAR					1.00
BISHRAM					2.25
KUSUM MUNDPHAN					3.75
LALITA BISHT					3.00
MANIK NAMDEO MUNDPHAN-HUF					7.50
MANIK NAMDEO MUNDPHAN					3.75

MUKESH HANS					1.00
NIDHI TOMAR					3.75
OM PRAKASH TIWARI					0.45
PRATIK SRIVASTAVA					3.00
RAKESH PATNI					2.25
SACHIN NETKE					0.15
S.S.INTERNATIONAL					1.74
SURESH RAISINGHANI					7.50
TARUNADITYA SAHAY					1.25
VIVEK BAGDEY					0.75
<b>Total</b>	<b>0.00</b>	<b>70.50</b>	<b>54.72</b>	<b>271.25</b>	<b>530.39</b>

Note: All of the above current outstanding Unsecured Loans are interest free and are repayable on demand basis and there is no fixed repayment schedule.

### Annexure – XIII

#### Statement of Sundry Debtors:

(₹ in Lacs)

Particulars	As at				
	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
Outstanding for the period exceeding Six months	-	42.00	42.00	42.00	18.33
Outstanding for the period Less than Six months	42.00	-	54.00	99.02	76.02
Other Debts					
<b>Total</b>	<b>42.00</b>	<b>42.00</b>	<b>96.00</b>	<b>141.02</b>	<b>94.35</b>

Note:- There are no related party in debtors.

### Annexure – XIV

#### Statement of Loans & Advances, Sundry Deposits:

(Rs in Lacs)

Particulars	As at				
	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
Advances recoverable in Cash or in Kind or for value to be received			2.00	38.52	114.65
Advance Tax/TDS	0.67	0.15	0.15	25.02	11.02
Other Loans and Advances	0.06	20.90	0.39		
Prepaid Expenses		32.19			
Security Deposits	4.97	12.47	17.65		
Others	0.12	0.00	0.00		
Advance for asset		169.00	362.50	300.00	275.00
Advance to Vendor		26.79	26.50		
<b>Total</b>	<b>5.82</b>	<b>261.50</b>	<b>409.19</b>	<b>363.54</b>	<b>400.67</b>

Note:- There are no related parties.

**Annexure – XV****Statement of Contingent Liabilities**

There are no contingent liabilities outstanding for the period covered by this report.

**Annexure – XVI****Related party disclosure in accordance with AS - 18**

The company has entered into following related party transactions during financial year ended March 31, 2007, 2008, 2009, 2010 and 2011.

**List of Related Parties**

<b>Name of the Related Party</b>	<b>Nature of Relationship</b>
Rahul Beri	Promoter Director
Aakriti Beri	Wife of Rahul Beri
Sanjay Bakliwal	Promoter Director
Seema Bakliwal	Wife of Sanjay Bakliwal
Vikash Jain	Brother of Seema Bakliwal
Madhu Jain	Sister of Seema Bakliwal
Regi George	Executive Director
Seema Mishra	Old Director
Chandra Prakash Bhansali	Brother of Pukhraj Bhansali
Dinesh Pukhraj Bhansali	Son of Pukhraj Bhansali
Pukhraj Bhansali	Old Director
S.P.Bhansali	Son of Pukhraj Bhansali
Anil Kavar	Brother of Shantilal Kavar
GautamChandji Kavar	Brother of Shantilal Kavar
Noratmaji Kavar	Brother of Shantilal Kavar
Sajanlajji Kavar	Brother of Shantilal Kavar
Shantilalji Kavar	Old Director
Sohanlalji Kavar	Brother of Shantilal Kavar
Sunilkumarji Kavar	Brother of Shantilal Kavar
Sharpmind Developers Private Limited	Madan Jain
Madanlal Jain	Old Director
Sarika Ghorpade	Wife of Director
ST. Paul School,Patna	Related of Regi George

**Transactions with related parties:**

(₹ Lacs)						
<b>Name of the Related Party</b>	<b>Nature of Transaction</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
Rahul Beri	Director Remuneration	7.50	9.00	18.03	18.01	7.50
	Member Advances-Paid					
	Member Advances-Received	0.05				
	Loan Received					30.00
	Loan Paid					30.00

Seema Mishra	Member Advances-Paid					
	Member Advances-Received		0.04			
G.R.George	Director Remuneration					2.22
	Director Loan Received					6.80
Chandra Prakash Bhansali	Loan Received		4.87			
	Loan Paid				4.87	
	Interest Provided		0.10	0.89	0.69	
Dinesh Pukhraj Bhansali	Loan Received		4.87			
	Loan Paid				4.87	
	Interest Provided		0.10	0.89	0.69	
Pukhraj Bhansali	Loan Received		4.87			
	Loan Paid			3.00	1.87	
	Interest Provided		0.10	0.51	0.27	
S.P.Bhansali	Loan Received		4.87			
	Loan Paid				4.87	
	Interest Provided		0.10	0.89	0.69	
Anil Kavar	Loan Received		2.87	0.41		
	Loan Paid				3.28	
	Interest Provided		0.08	0.59	0.47	
GautamChandji Kavar	Loan Received		2.87	0.41		
	Loan Paid			3.28		
	Interest Provided		0.08	0.50		
Noratmaji Kavar	Loan Received		2.87	0.41		
	Loan Paid				3.28	
	Interest Provided		0.08	0.59	0.47	
Sajanlalji Kavar	Loan Received		2.87	0.41		
	Loan Paid				3.28	
	Interest Provided		0.08	0.59	0.47	
Shantilalji Kavar	Loan Received		3.78	0.54		
	Loan Paid			3.00	1.32	
	Interest Provided		0.10	0.44	0.19	
Sohanlalji Kavar	Loan Received		2.87	0.41		
	Loan Paid				3.28	
	Interest Provided		0.08	0.65	0.47	
Sunilkumarji Kavar	Loan Received		2.87	0.41		
	Loan Paid				3.28	
	Interest Provided		0.08	0.59	0.47	
Sharpmind Developers	Loan Received		21.00			
	Loan Paid			15.50	5.50	
	Interest Provided		0.37	2.38	2.07	
	Interest Paid				1.50	
Madanlal Jain	Loan Received		56.00			
	Loan Paid		47.00		9.00	
	Interest Provided		0.37	1.95		

Sanjay Bakliwal	Loan Received				20.00	45.00
	Loan Paid					65.00
Aakriti Beri	Loan Received					15.00
	Loan Paid					15.00
Vikash Jain	Loan Received					16.50
	Loan Paid					
Madhu Jain	Loan Received					1.50
	Loan Paid					
Sarika Ghorpade	Loan Received					7.50
	Loan Paid					
Seema Bakliwal	Loan Received					5.00
	Loan Paid					5.00
ST. Paul School, Patna	Loan Received			2.00	3.20	
	Loan Paid				5.20	
	Interest Provided				0.28	

**Annexure –XVII****Statement of Dividend paid:**

The company has not paid any dividends since incorporation

**Annexure - XVIII****Schedule of Investments**

The company has not made any investments.

**Annexure – XIX****Audit Qualifications**

There were no qualifications in the Auditors' report for the year ending on March 31, 2007, 2008, 2009, 2010 and 2011.

**Annexure – XX****Changes in the Significant Accounting Policies**

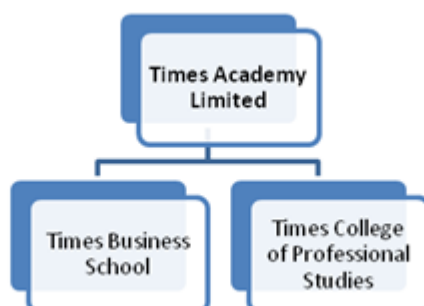
The company has not changed its accounting policy since incorporation, however for the purpose of restatement company has provided for gratuity liability on the basis of actuary valuation.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements included in this Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page xvi, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company on a consolidated basis, and, unless otherwise stated, is based on our restated consolidated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.*

### Business Overview

Times Academy Limited (TAL) was formed in the year 2006, with an objective is to impart international quality learning in the area of higher education. TAL endeavours to cater to the ever growing demand of skilled and employable manpower by linking education with employment and creating a productive workforce. We operate through two brands as under:



We provide assistance for professional educational services in India. Our educational programs (offered by the respective Universities) are targeted for students who have cleared higher secondary examinations in the area of Management, Information Technology, Banking, Finance, Insurance, Media, and Infrastructure amongst others. The above programs are offered through our affiliations to three Universities in India, Punjab Technical University, Jalandhar, Guru Jambheshwar University of Science and Technology, Hissar and Bhartiya University, Coimbatore. Apart from these we are also affiliated to 2 Universities based in UK, University of London and NCC Education, based out of Manchester.

These programs are offered to the students who opt for Distance Learning Programs through the following study centers at our campuses located in New Delhi, Mumbai and Ahmedabad. Graduate and Post-Graduate courses are conducted through Times Business School, whilst other short term courses are conducted through Times College of Professional Studies.

### Significant developments subsequent to the last financial year:

After the date of last financial year i.e. March 31, 2011, the Directors of our Company confirm that, there have not been any significant material developments.

### Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of the Company for the years ended 31st March, 2007, 2008, 2009, 2010 & 2011.

### Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

**Rise in Income** - with the rise in middle class incomes, the savings ratio for securing higher education for their children has touched 55%. Educational and related expenses are deemed an investment. This change in attitude will act as a catalyst, promoting higher investments in the said sector.



**Competition:** Selling prices of our services and products may be affected if competition intensifies. Further, as a result of increase in scale of operations, adoption of aggressive pricing strategies by our competitors in order to gain market share or new competitors entering the markets, may adversely affect our operations and financial results.

**Regulatory Hurdles** – the regulatory structure is antiquated with multiple government bodies having overlapping functions. The regulated segment is controlled by the government to prevent commercialisation, profit making and requires plough back of all surplus. There are also restrictions on curriculum, fee, student intake and course delivery. As a result, investors resort to innovative structures to realise profits through outsourcing, service contracts or supplementary courses. All these regulatory hurdles make this sector challenging to invest in.

**Other factors include:**

- Non – receipt of pending approvals for the proposed new study centres.
- Prevailing trends in the Education industry, to which most of the products of the Company are supplied.
- Company's ability to successfully implement their marketing, business and growth strategies.
- Changes in the regulations/regulatory framework/economic policies in India and/or in foreign countries.

**Discussion on Results of Operation:**

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the years ended 31<sup>st</sup> March, 2006, 2007, 2008, 2009 and 2011.

The number of students who have enrolled and from whom revenue has been recognized, in whole or part, based on the curriculum courses availed by them during the relevant Fiscal, in our Study Centers in the last three Fiscal years is as below:

Courses	As on Date	FY 2011	FY 2010	FY 2009
UG	99	41	22	56
PG	174	41	39	58
Certificate courses	9	-	183	43
<b>Total</b>	<b>282</b>	<b>82</b>	<b>244</b>	<b>157</b>

**OUR SIGNIFICANT ACCOUNTING POLICIES**

For Significant accounting policies please refer *Significant Accounting Policies, "Annexure IV"* beginning on page 97 under Chapter titled "Auditors' Report and Financial Information of our Company" beginning on page 91 of the Draft Red Herring Prospectus.

**RESULTS OF OUR OPERATION**

(₹ Lacs)

Particulars	For the year ended			
	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
<b>Income</b>				
<b>Sales &amp; Operating Incomes</b>				
<b>Income</b>				
Income from Operations	203.80	553.51	623.46	338.31
		171.59%	12.64%	-45.74%
Other Income	0.22	0.81	1.11	49.99
<b>Total Income</b>	<b>204.02</b>	<b>554.32</b>	<b>624.57</b>	<b>388.30</b>
Increase/(Decrease)%		171.70%	12.67%	-37.83%
<b>Expenditure</b>				
<b>Operating &amp; Other Administrative Expenses</b>	<b>116.26</b>	<b>260.19</b>	<b>291.64</b>	<b>361.37</b>
Increase/(Decrease)%		123.80%	12.09%	23.91%
% to Total Operating Income	57.05%	47.01%	46.78%	106.82%
<b>Advertising &amp; Business Promotion Expenses</b>	<b>18.40</b>	<b>134.76</b>	<b>91.52</b>	<b>123.17</b>

Increase/(Decrease)%		632.39%	-32.09%	34.58%
% to Total Operating Income	9.03%	24.35%	14.68%	36.41%
<b>Personnel Cost</b>	<b>49.64</b>	<b>107.02</b>	<b>95.40</b>	<b>128.29</b>
Increase/(Decrease)%		115.59%	-10.86%	34.48%
% to Total Operating Income	24.36%	19.33%	15.30%	37.92%
<b>Total Operating Expenses</b>	<b>184.30</b>	<b>501.97</b>	<b>478.56</b>	<b>612.83</b>
Increase/(Decrease)%		172.37%	-4.66%	28.06%
% to Total Operating Income	90.43%	90.69%	76.76%	181.14%
<b>PBDIT</b>	<b>19.72</b>	<b>52.35</b>	<b>146.01</b>	<b>-224.53</b>
Increase/(Decrease)%		165.47%	178.91%	-253.78%
% to Total Operating Income	9.68%	9.46%	23.42%	-66.37%
<b>Less: Interest</b>	<b>1.78</b>	<b>12.31</b>	<b>12.94</b>	<b>1.36</b>
Increase/(Decrease)%		591.57%	5.12%	-89.49%
% to Total Operating Income	0.87%	2.22%	2.08%	0.40%
<b>Less: Depreciation</b>	<b>6.80</b>	<b>11.41</b>	<b>58.39</b>	<b>95.83</b>
Increase/(Decrease)%		67.79%	411.74%	64.12%
% to Total Operating Income	3.34%	2.06%	9.37%	28.33%
<b>PBT</b>	<b>11.14</b>	<b>28.63</b>	<b>74.68</b>	<b>-321.72</b>
Increase/(Decrease)%		157.00%	160.85%	-530.80%
% to Total Operating Income	5.47%	5.17%	11.98%	-95.10%
<b>Extraordinary Item</b>			2.75	
<b>Tax Impact</b>	<b>4.25</b>	<b>10.60</b>	<b>22.40</b>	<b>-99.41</b>
<b>Profit After Tax</b>	<b>6.89</b>	<b>18.03</b>	<b>49.53</b>	<b>-222.31</b>
<b>Effect of Restatement</b>	<b>0.00</b>	<b>1.05</b>	<b>0.71</b>	<b>0.18</b>
<b>Restated Profit after Tax</b>	<b>6.89</b>	<b>16.98</b>	<b>48.82</b>	<b>-222.49</b>
Increase/(Decrease)%		146.44%	187.51%	-555.74%
% to Total Operating Income	3.38%	3.07%	7.83%	-65.77%

#### **Comparison of FY 2011 with FY 2010:**

##### **Income from operations**

The Income from operations for the FY 2011 is ₹ 338.31 Lacs as compared to ₹ 623.46 Lacs during the FY 2010 showing decrease of 45.74%. The decrease in revenue was due to stagnancy in job market post recession, lesser number of students were opting for expensive educational programmes.

##### **Total Income**

The Total Income for the FY 2011 is ₹ 388.30 Lacs as compared to ₹ 624.57 Lacs during the FY 2010 showing decrease of 37.84%.

##### **Expenditure:**

##### **Operating & Other Administrative Expenses**

Operating & Other Administrative Expenses increased to ₹ 361.37 Lacs for FY 2011 from ₹ 291.64 Lacs for FY 2010 showing an increase of 23.91%. This mainly includes rent expenses of ₹ 200.99 Lacs during FY 2011 as against ₹ 91.38 Lacs during FY 2010. The Operating & Other Administrative Expenses was 106.82% of total operating income during FY 2011 as against that of 46.78% during FY 2010.

##### **Advertising & Business Promotion Expenses**

Advertising & Business Promotion Expenses increased to ₹ 123.17 Lacs for FY 2011 from ₹ 91.52 Lacs for FY 2010 showing an increase of 34.58%. The Advertising & Business Promotion Expenses was 36.41% of total operating income during FY 2011 as against that of 14.68% during FY 2010.

##### **Personnel Cost**

Personnel Cost increased from ₹ 95.40 Lacs for the year ended March 31, 2010 to ₹ 128.29 Lacs for FY 2011 showing a increase of 34.48%. This increase was mainly due to increase in salaries. Salary and faculty charges were ₹ 116.76 Lacs during FY 2011 as against ₹ 76.43 Lacs during FY 2010. Personnel cost stood at 15.30% and 37.92% of income from operations for FY 2010 and FY 2011 respectively.

### **Profit before Depreciation, Interest and Tax (PBDIT)**

PBDIT decreased from ₹ 146.01 Lacs for FY 2010 to ₹ (224.53) Lacs for FY 2011, mainly on account of decrease in income from operations. During FY 2011, our Company recorded PBDIT of (66.37)% of the operating income as against 23.42% during FY 2010.

### **Interest Cost**

Interest cost decreased from ₹ 12.94 Lacs for FY 2010 to ₹ 1.36 Lacs for the FY 2011. Interest cost mainly includes interest on unsecured loans. Currently our entire outstanding unsecured loans as on March 31, 2011 are interest free.

### **Depreciation**

Depreciation on fixed assets was 28.33% of income from operations during FY 2011 as compared to 9.37% during FY 2010. The total depreciation during FY 2010 was ₹ 58.39 Lacs and during FY 2011 it was ₹ 95.83 Lacs. This increase was due to increase in fixed assets of our Company. Gross block for FY 2010 was ₹ 275.84 Lacs which increased to ₹ 1388.59 Lacs during FY 2011.

### **Profit after Tax and restatement adjustment (PAT)**

PAT decreased from ₹ 48.82 Lacs for the FY 2010 to a loss of ₹ (222.31) Lacs in FY 2011. This decrease was due to decrease in income from operations and the other reasons as details above. During FY 2011, our Company recorded PAT margin of (65.77)% as against 7.83% for FY 2010.

### **Comparison of FY 2010 with FY 2009:**

#### **Income from operations**

The Income from operations for the FY 2010 is ₹ 623.36 Lacs as compared to ₹ 553.51 Lacs during the FY 2009 showing increase of 12.64%.

#### **Total Income**

The Total Income for the FY 2010 is ₹ 624.57 Lacs as compared to ₹ 554.32 Lacs during the FY 2009 showing increase of 12.67%.

#### **Expenditure:**

##### **Operating & Other Administrative Expenses**

Operating & Other Administrative Expenses increased to ₹ 291.64 Lacs for FY 2010 from ₹ 260.19 Lacs for FY 2009 showing an increase of 12.09%. This mainly includes rent expenses of ₹ 91.38 Lacs during FY 2010 as against ₹ 67.51 Lacs during FY 2009. There was increase in other expenses such as commission paid, tour and travelling etc. The Operating & Other Administrative Expenses was 46.78% of total operating income during FY 2010 as against that of 47.01% during FY 2009.

##### **Advertising & Business Promotion Expenses**

Advertising & Business Promotion Expenses decreased to ₹ 91.52 Lacs for FY 2010 from ₹ 134.76 Lacs for FY 2009 showing a decrease of 32.09%. The Advertising & Business Promotion Expenses was 14.68% of total operating income during FY 2010 as against that of 24.35% during FY 2009.

##### **Personnel Cost**

Personnel Cost decreased from ₹ 107.02 Lacs for the year ended March 31, 2009 to ₹ 95.40 Lacs for FY 2010 showing a decrease of 32.09%. This increase was mainly due to increase in salaries and other faculty charges

expenses. Personnel cost stood at 19.33% and 15.30% of income from operations for FY 2009 and FY 2010 respectively.

### **Profit before Depreciation, Interest and Tax (PBDIT)**

PBDIT increased from ₹ 52.35 Lacs for FY 2009 to ₹ 146.01 Lacs for FY 2010 showing the increase of 178.91%, mainly on account of increase in income from operations and decreased in personnel cost and administrative and selling expenses as detailed above. During FY 2010, our Company recorded PBDIT of 23.42% of the operating income as against 9.46% during FY 2009.

### **Interest and Financial Charges**

#### **Interest Cost**

Interest cost marginally increased from ₹ 12.31 Lacs for FY 2009 to ₹ 12.94 Lacs for the FY 2010.

#### **Depreciation**

The total depreciation during FY 2009 was ₹ 11.41 Lacs and during FY 2010 it was ₹ 58.39 Lacs. Depreciation on fixed assets was 9.37% of income from operations during FY 2010 as compared to 2.06% during FY 2009. This increase was due to increase in fixed assets of our Company. The gross block as at March 31, 2009 stood at ₹ 137.47 lacs which increased to ₹ 275.84 Lacs as at March 31, 2010.

### **Profit after Tax and restatement adjustment (PAT)**

PAT increased from ₹ 16.98 Lacs for the FY 2009 to ₹ 48.82 Lacs in FY 2010. This increase was due to the reasons as detailed above. During FY 2010, our Company recorded PAT margin of 7.83% as against 3.07% for FY 2009.

### **Comparison of FY 2009 with FY 2008:**

#### **Income from operations**

The Income from operations for the FY 2009 is ₹ 553.51 Lacs as compared to ₹ 203.80 Lacs during the FY 2008 showing increase of 171.59%.

#### **Total Income**

The Total Income for the FY 2009 is ₹ 554.32 Lacs as compared to ₹ 204.02 Lacs during the FY 2008 showing increase of 171.70%.

#### **Expenditure:**

#### **Operating & Other Administrative Expenses**

Operating & Other Administrative Expenses increased to ₹ 260.19 Lacs for FY 2009 from ₹ 116.26 Lacs for FY 2008 showing an increase of 123.80%. This mainly includes increase in tour and travelling, affiliation fees, printing & stationery and rent etc. The Operating & Other Administrative Expenses was 47.01% of total operating income during FY 2009 as against that of 57.05% during FY 2008.

#### **Advertising & Business Promotion Expenses**

Advertising & Business Promotion Expenses increased to ₹ 134.76 Lacs for FY 2009 from ₹ 18.40 Lacs for FY 2008 showing a increase of 632.39%. The Advertising & Business Promotion Expenses was 24.35% of total operating income during FY 2009 as against that of 9.03% during FY 2008.

#### **Personnel Cost**

Personnel Cost increased from ₹ 49.64 Lacs for the year ended March 31, 2008 to ₹ 107.02 Lacs for FY 2009 showing an increase of 19.33%. Personnel cost stood at 24.36% and 19.33% of income from operations for FY 2008 and FY 2009 respectively.

**Profit before Depreciation, Interest and Tax (PBDIT)**

PBDIT increased from ₹ 19.72 Lacs for FY 2008 to ₹ 52.35 Lacs for FY 2009 showing the increase of 165.47%, mainly on account of increase in income from operations. During FY 2009, our Company recorded PBDIT of 9.46% of the operating income as against 9.68% during FY 2008.

**Interest and Financial Charges****Interest Cost**

Interest cost increased from ₹ 1.78 Lacs for FY 2008 to ₹ 12.31 Lacs for the FY 2009.

**Depreciation**

The total depreciation during FY 2008 was ₹ 6.80 Lacs and during FY 2009 it was ₹ 11.41 Lacs. Depreciation on fixed assets was 2.06% of income from operations during FY 2009 as compared to 3.34% during FY 2008. This increase was due to increase in fixed assets of our Company. The gross block as at March 31, 2008 stood at ₹ 105.08 lacs which increased to ₹ 137.47 Lacs as at March 31, 2009.

**Profit after Tax and restatement adjustment (PAT)**

PAT increased from ₹ 6.89 Lacs for the FY 2008 to ₹ 16.98 Lacs in FY 2009 showing an increase of 146.44%. This increase was due to the reasons as detailed above. During FY 2009, our Company recorded PAT margin of 3.07% as against 3.38% for FY 2008.

**Related Party Transactions**

*For further information please refer “Annexure XVI” beginning on page 109 under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 91 of the Draft Red Herring Prospectus.*

**Financial Market Risks**

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

**Interest Rate Risk**

Our Company is not currently exposed any major interest rate risks. However, any rise in future borrowings may result into the same.

**Effect of Inflation**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

**FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:**

- 1. Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**

There have been no unusual or infrequent events or transactions that have taken place.

- 2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

- 3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page xvi in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by service providers.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**6. Total turnover of each major industry segment in which the issuer company operated.**

Our Company only operates in education sector. For details on the total turnover of the industry *please refer to Chapter titled “Industry Overview” beginning on page 81 of the Draft Red Herring Prospectus.*

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and segment, other than through the Draft Red Herring Prospectus.

**8. The extent to which business is seasonal.**

Our Company’s business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers.**

Our Company is not dependent on single or few suppliers or customers.

**10. Competitive conditions.**

Competitive conditions are as described under the *Chapters titled “Industry Overview” and “Business Overview” beginning on page 51 and 57, respectively of the Draft Red Herring Prospectus.*

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this Draft Red Herring Prospectus, there is no outstanding or pending litigation, suit, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Part I of Schedule XIII of the Companies Act) or litigation for tax liabilities against our Company, our Directors or our Promoters or companies promoted by our Promoters and there are no defaults to banks/financial institutions, non-payment of or overdue statutory dues, or dues towards holders of any debentures, bonds and fixed deposits and arrears of preference shares, other unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters or Directors. Further, except as stated in this Draft Red Herring Prospectus, there are no past cases in which penalties have been imposed on our Company or our Promoters, Directors or companies promoted by the Promoters by concerned authorities, and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company.*

*Neither our Company nor its Promoters, members of the Promoter Group, Subsidiary, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.*

#### A) LITIGATION AGAINST OUR COMPANY

##### Civil cases

##### ***I. Cases filed against our Company***

NIL

##### ***II. Cases filed by our Company***

NIL

##### Claims and notices from statutory authorities

##### ***I. Income tax related proceedings***

NIL

##### ***II. Sales tax related proceedings***

NIL

##### ***III. Central Excise related proceedings***

NIL

##### ***IV. Customs related proceedings***

NIL

##### ***V. Other Statutory Notice***

NIL

#### B) LITIGATION INVOLVING PROMOTERS/DIRECTORS

##### Criminal Cases

##### ***Cases filed against Promoters/Directors***

NIL

**Civil Cases*****I. Cases filed against Promoters/Directors***

NIL

***II. Cases filed by Promoters/Directors***

NIL

**Claims and notices from statutory authorities**

NIL

**C) Outstanding litigations involving our Group Entities**

NIL

**D) PENALTIES IMPOSED IN PAST CASES SINCE INCORPORATION**

NIL

**E) ARBITRATION MATTERS**

The Company (Claimant) had entered into a franchisee agreement dated July 28, 2008 and licencing agreement dated December 18, 2008, (collectively referred as the agreements) with M/s. Solutions, represented through their partners, Mr. Abid Hassan, Mr. Pradip Sharma and Mrs. Seema Rana (Respondents). The agreement was to open and operate our Company's campus at Lucknow. After a brief period of operation, our Company felt that the centre was not operating as per the expectation of the company and hence our Company *vide* and email dated March 05, 2009 terminated the agreements.

The Respondents, despite the termination of the said agreements, continued the use of identical/similar name 'Times Business Studies', in violation of terms and conditions of the agreements. Our Company filed an arbitration petition OMP No. 662/2009 under section 9 of the Arbitration and Conciliation Act, 1996, in the Delhi High Court for restraining the Respondents from using the trade name and for loss of business and damages. The Honourable Court, *vide* its interim order dated November 16, 2009, restrained the Respondents from using the trade name 'Times Business Studies' or any other names similar to Times Business School. Thereafter the court made its interim order absolute; *vide* its order dated February 15, 2010, till the disposal of the arbitration proceedings, which is currently pending.

**F) AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS**

As on date of the Draft Red Herring Prospectus our Company does not owe a sum exceeding ₹ 1,00,000 which has been outstanding for a period of more than 30 days to any Small Scale Undertakings or any other creditors.

**Material developments occurring after the last Balance Sheet Date**

To our knowledge, no circumstances have arisen since March 31, 2011, which is the date of the most recent financial statements included in the Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect our profitability, our financial condition or our ability to pay our material liabilities within the next 12 months.

**Adverse Events**

There has been no adverse event affecting the operations of our Company, occurring within 1 (one) year prior to the date of filing of the Draft Red Herring Prospectus with SEBI.



## GOVERNMENT AND OTHER APPROVALS

*Except for pending approvals mentioned under this Section, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Governmental agencies, required for our present business and carrying on our business activities. Further, except as mentioned herein below, our Company has not yet received/applied for any licenses, consents, permissions or approvals for the carrying out any proposed activities as contained in the chapter titled 'Objects of the Issue' beginning on page 31 of the Draft Red Herring Prospectus.*

*It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.*

### **I. Approvals in relation to our Company's Incorporation**

- a) Certificate of Incorporation dated June 01, 2006, bearing CIN U80301DL2006PLC149375 of 2006-2007 issued in the name of Times Academy Limited by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana.
- b) Certificate for Commencement of Business dated September 29, 2006, issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana.

### **II. Approvals related to this Issue**

- a) Our Board of Directors has, pursuant to a resolution passed at its meeting held on July 30, 2011, authorized the Issue subject to the approval by the shareholders of our Company under Section 81 (1A) of the Companies Act, such other authorities as may be necessary.
- b) The shareholders of our Company have approved this Issue under Section 81 (1A) of the Companies Act, 1956 vide a Special Resolution passed at our Company's Annual General Meeting held on August 25, 2011.
- c) Observation letter no. [●], dated [●], issued by SEBI.
- d) In-principle approval for listing from the Bombay Stock Exchange Limited dated [●].
- e) In-principle approval for listing from The National Stock Exchange of India Limited dated [●].

### **III. Tax related approvals**

- a) Permanent Account Number (PAN) being ACCT4547Q granted by the Income Tax Department, GoI, to our Company.
- b) Tax Deduction Account Number (TAN) being DELT06691G granted by the Income Tax Department, GoI, to our Company.
- c) Certificate of Registration under the Service Tax Rules, 1994, bearing registration no. ACCT4547QSD001 issued by Central Board of Excise & Customs, Ministry of Finance, Department of Revenue, GoI.
- d) Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, bearing number PTEC-99411777854P, granted by Profession Tax Officer, Thane, to our Company.
- e) Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, bearing number PTRC-27575227013P, granted by Professional Tax Officer, Thane, to our Company.
- f) Certificate of Registration bearing No. NMMC/CEG/03/03809, issued by the Navi Mumbai Municipal Corporation, Cess Department, registering our Company as seller/trader.

### **IV. Other business related approvals**

- a) Registration Certificate of Establishment under Bombay Shops and Establishments Act, 1948 for our Navi Mumbai campus bearing registration no. CE-25585, issued by the Shops Inspector under the Bombay Shops and Establishments Act, 1948, valid upto December 31, 2012.

## V. PENDING APPROVALS

### (i) Intellectual Property

Sr. No.	Mark	Date of Application	Issuing Authority	Description of Class
1.	Times Academy Limited	May 13, 2009	Trade Marks Registry, New Delhi	41
2	Times Academy	June 24, 2006	Trade Marks Registry, New Delhi	41
3	Times Knowledge	July 13, 2006	Trade Marks Registry, New Delhi	41
4.	Times Management and Educational Studies	April 17, 2007	Trade Marks Registry, New Delhi	41
5.	Times Public School	April 17, 2007	Trade Marks Registry, New Delhi	41
6.	Times College of Professional Studies	April 17, 2007	Trade Marks Registry, New Delhi	41
7.	Times College of Professional Studies (logo)	April 10, 2009	Trade Marks Registry, New Delhi	41
8.	Times College (logo)	April 10, 2009	Trade Marks Registry, New Delhi	41

We do not envisage any major approvals required for expanding our business operations, except the local shops & establishment licences from the local municipal authorities, which shall be applied in due course of time.

### (ii) Shops & Establishment

We are yet to apply for the registration under the Shops & Establishment Act for our Ahmedabad campus. We are in the process of applying for the same. We shall also apply for Shops & Establishment Act for our proposed campuses.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue of Equity Shares has been authorized by the resolution of the Board of Directors at their meeting held on July 30, 2011. The shareholders have, by a special resolution passed pursuant to Section 81(1A) of the Companies Act, at the Extraordinary General Meeting of our Company held on August 25, 2011, approved the Issue.

The Bombay Stock Exchange Limited and the National Stock Exchange of India Limited have given in-principle approval for the Issue pursuant to letters dated [●] and [●] respectively, and BSE is the Designated Stock Exchange.

### Prohibition by SEBI, RBI or Governmental authority

Our Company, our Directors, our Promoters, the Promoter Group, Group Entities or the person (s) in control of our Company have not been debarred from accessing the capital markets 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 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 debarred from accessing the capital markets under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority.

Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by Stock Exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Red Herring Prospectus or (b) delisted from the stock exchanges.

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 and 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. Our Promoters and the Group Entities of our Promoters have further confirmed that there are no violations of securities laws committed by them in the past or currently pending against them.

### Eligibility for this 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 eligible to make the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations.

Regulation 26(1) of the SEBI (ICDR) Regulations states as follows:

*“26.(1) An unlisted company may make an initial public offering (IPO) of equity shares only if it meets all the following conditions:*

- (a) The company has net tangible assets of at least ₹ 300 lacs in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in monetary assets:*

*Provided that if more than 50% of the net tangible assets are held in monetary assets, the company has made firm commitments to deploy such excess monetary assets in its business/project;*

- (b) The company has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least three (3) out of immediately preceding five (5) years;*

*Provided further that extraordinary items shall not be considered for calculating distributable profits in terms of section 205 of Companies Act, 1956;*

- (c) The company has a net worth of at least ₹ 100 lacs in each of the preceding 3 full years (of 12 months each);
- (d) In case the company has changed its name within the last one year, atleast 50% of the revenue for the preceding 1 full year is earned by the company from the activity indicated by the new name; and
- (e) The aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e., offer through offer document + firm allotment + promoters' contribution through the offer document), does not exceed five (5) times its pre-issue networth as per the audited balance sheet of the last financial year.)”

Our Company's Net Tangible Assets, Monetary Assets, Net Profit and Net Worth derived from the Auditor's Report included in the Draft Red Herring Prospectus as at, and for the last five years ended Fiscal 2010 are set forth below:

(₹ in lacs)

Particulars	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Net Tangible Assets <sup>1</sup>	102.41	346.48	376.91	699.48	1,542.32
Monetary Assets <sup>2</sup>	40.08	2.97	1.77	25.51	4.77
Monetary Assets as a % of Net Tangible Assets	39.14%	0.86%	0.47%	3.65%	0.31%
Net Worth <sup>3</sup>	<b>129.82</b>	<b>300.06</b>	<b>340.34</b>	<b>464.67</b>	<b>1,137.80</b>
Distributable Profits <sup>4</sup>	<b>-0.63</b>	<b>6.89</b>	<b>16.98</b>	<b>48.82</b>	<b>-222.49</b>

<sup>1</sup>“Net Tangible Assets” are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities and secured as well as unsecured long term liabilities) excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

<sup>2</sup>Monetary Assets are defined as the sum of cash in hand, non trade Investments, balance with scheduled bank in current accounts, fixed deposits and public deposit account with the Government, if any.

<sup>3</sup>Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves and share application money) and after deducting miscellaneous expenditure not written off, if any.

<sup>4</sup>Distributable profits have been computed in terms Section 205 of the Companies Act, 1956.

This Issue is being made through the Book Building Process. In accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall be not less than 1,000. Otherwise the entire application money shall be refunded forthwith. In case of delay, if any, in refund our Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended. In accordance with the SEBI ICDR Regulations, not more than 50% of the Issue shall be available for allocation to QIBs.

If the minimum public shareholding requirements of Rule 19(2)(b) of the SCRR are not met, the entire application money will be refunded forthwith.

5 % of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIBs, subject to valid Bids received from them at or above the Issue Price.

Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price.

Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines, subject to valid Bids being received at or above the Issue Price. For further details, please refer to the chapter titled 'Issue Procedure' beginning on page 138 of the Draft Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF SEBI**

**AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI.**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2011, WHICH READS AS FOLLOWS:**

**“WE, THE BOOK RUNNING LEAD MANAGER, TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - a. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (THE “SEBI” OR “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 SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - c. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE**

**OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WHEN UNDERWRITTEN, WE WILL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- 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 DRAFT RED HERRING PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT 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. – NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE AS THE ISSUE SIZE IS MORE THAN ₹ 1,000 LACS, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, THE ALLOTMENT WILL BE MADE ONLY IN DEMAT FORM.**

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
  - a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND
  - b. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.”

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

**Note:**

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Draft Red Herring Prospectus with the Registrar of Companies, Mumbai in terms of section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 56, 60 and 60B of the Companies Act.

**Disclaimer Statement of our Company and the BRLM**

Our Company and the BRLM accept no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information, including our Company’s website [www.times.edu.in](http://www.times.edu.in) would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLM with our Company and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Each of the BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions with our Company, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.

Neither our Company, nor its Directors and officers, nor any member of the Syndicate are liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

### **Caution**

**Bidders will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares in the Issue.**

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with competent courts/ authorities in New Delhi, India.

### **Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in Equity Shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), trusts (registered under Societies Registration Act, 1860, or any other trust law and are authorized under their constitution to hold and invest in Equity Shares) public financial institutions as specified in Section 4A of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500 lacs, pension funds with a minimum corpus of ₹ 2,500 lacs, the National Investment Fund, insurance funds set up and managed by the army, navy and/or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, and to permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, and other eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold the Equity Shares. The Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to equity shares issued 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 this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to, observe any such restrictions.

Any disputes arising out of this Issue will be subject to the jurisdiction of courts in Mumbai, Maharashtra, India only. No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been submitted to the SEBI for its observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to the date of the Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption form, or in a transaction not subject to, the registration requirements of the Securities Act.

### **Disclaimer Clause of the BSE**



As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

#### **Disclaimer Clause of the NSE**

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

#### **Disclaimer Clause of the IPO Grading Agency**

The disclaimer clause as intimated by the [•], the IPO Grading Agency to our Company, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

#### **Filing**

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, 5<sup>th</sup> Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi - 110 001. A copy of the Red Herring Prospectus, along with documents to be filed under Section 60B of the Act, and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration to the Registrar of Companies at Registrar of Companies, National Capital Territory of Delhi and Haryana, at 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019.

#### **Listing**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Initial listing applications have been made to the BSE and the NSE for permission to list the Equity Shares and for an official quotation of the Equity Shares of our Company. BSE shall be the Designated Stock Exchange with which the basis of allotment shall be finalised.

In case the permission to deal in, and for an official quotation of, the Equity Shares are not granted by any of the above mentioned Stock Exchanges, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within eight (8) days after the day from which the Issuer becomes liable to repay it then our Company, then the Company and every Director of our Company who is an officer in default shall, on and from expiry of eight (8) days, be jointly and severally liable to repay that money with interest, at 15% per annum on the application monies as prescribed under Section 73 of the Companies Act and the rules formulated thereunder.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within twelve (12) Working Days of Bid/ Issue Closing Date.

#### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of Sub-Section (1) of Section 68A of the Companies Act which is reproduced below:

***“Any person who-***

- (a) makes in a fictitious name an application to a company for acquiring, or subscribing for, any shares therein, or***
- (b) otherwise induces a company to allot or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”***

#### **Consents**

Consents in writing of our Directors, our Company Secretary and Compliance Officer, the Auditors, the Legal Advisor to the Issue, the Bankers to our Company, the BRLM, the Registrar to the Issue, the Syndicate

Members, the Escrow Collection Banks, Refunds Bank(s) and the IPO Grading Agency to act in their respective capacities, will be obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC and such consents will not be withdrawn upto the time of delivery of the Prospectus for registration, is as required under Section 60 and 60B of the Companies Act.

M/s. L.T. Jadav & Co., Chartered Accountant, our Peer Review Auditor has given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus and such consent and report will not be withdrawn upto the time of delivery of the Prospectus for registration to the RoC.

[●], the IPO Grading Agency engaged by us for the purpose of IPO Grading have given their consent as experts, pursuant to their letter dated [●] for inclusion of their report in the form and content in which it will appear in the Red Herring Prospectus, and such consent will not be withdrawn until the time of delivery of the Prospectus for registration with the Registrar of Companies.

### Expert Opinion

Except the statement of tax benefits, report of our Peer Review certified Auditors, M/s. L.T. Jadav & Company, Chartered Accountant and the report of [●] issued in respect of the IPO grading of this Issue (a copy of which will be annexed to the Red Herring Prospectus as Annexure I), and except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not obtained any expert opinions.

### Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹ [●] lacs. The expenses of the Issue payable by our Company includes, among others, brokerage, fees payable to the BRLM and Registrar to the Issue, legal fees, stamp duty, printing and distribution expenses and listing fees and other miscellaneous expenses estimated as follows:

(₹ in lacs)			
Activity	Expenses* (₹ in lacs)	% of Issue Size	% of Issue expenses
Lead management, underwriting and selling commission	[●]	[●]	[●]
IPO Grading Expenses	[●]	[●]	[●]
Advertisement and marketing expenses	[●]	[●]	[●]
Printing and stationery (including expenses on transportation of the material)	[●]	[●]	[●]
Others (Registrar's fees, legal fees, listing fees, etc.)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

\* Will be incorporated after finalization of the Issue Price

### Details of Fees Payable

#### Fees payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as stated in the engagement letter signed and executed between our Company and the Book Running Lead Manager, a copy of which is available for inspection at our Registered Office from 10:00 am to 4:00 pm on all Working Days during the Bid / Issue Period.

#### Underwriting Commission, Brokerage and Selling Commission

The selling commission for this Issue is as set out in the Syndicate Agreement to be entered into between our Company and the BRLM. The underwriting commission shall be paid as set out in the Underwriting Agreement to be entered into between our Company and the BRLM based on the Issue Price and amount underwritten in the manner mentioned in the Prospectus. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

#### Fees payable to the Registrar to the Issue

The total fees payable to the Registrar to the Issue for processing of application, data entry, printing of CAN/ refund order, or Revised CANs if required, preparation of refund data on magnetic tape, printing of bulk mailing

register will be as per the agreement dated May 18, 2011, signed and executed between our Company and the Registrar to the Issue, a copy of which will be available for inspection at our Registered Office from 10:00 am to 4:00 pm during the Bid/ Issue Period.

The Registrar to the Issue will also be reimbursed with all relevant out-of-pocket expenses such as cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to make refunds in any of the modes described in the Red Herring Prospectus and the Prospectus or send allotment advice by registered post / speed post.

#### **Previous public or rights issues**

Our Company has not made any public or rights issue since its incorporation.

#### **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 chapter titled '*Capital Structure*' beginning on page 17 of the Draft Red Herring Prospectus.

#### **Commission or brokerage on previous issues**

Since this is the initial public offering of our Company's Equity Shares 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 since our Company's incorporation.

#### **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 public or rights issue during the last three years.**

Except as disclosed in the chapter titled "*Our Group Entities*" 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 public/ rights issue during the past three years.

#### **Performance *vis-a-vis* Objects Previous Issues of our Company and our Group / Associate Entities**

Our Company has not made any public issue of Equity Shares since its incorporation. None of our Group/ Associate Entities has made any public issues in the past ten years except as disclosed in the chapter titled '*Our Group Entities*' beginning on page 85 of the Draft Red Herring Prospectus.

#### **Outstanding debentures or bond issues**

As on the date of the Draft Red Herring Prospectus, our Company does not have any outstanding debentures or bonds.

#### **Outstanding Preference Shares**

As on the date of the Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

#### **Stock Market Data**

Our Company is an "unlisted issuer" in terms of the SEBI ICDR Regulations, and this being the "Initial Public Offering" in terms of the SEBI ICDR Regulations no stock market data is available for the Equity Shares of our Company.

#### **Disclosure on Investor Grievances and Redressal System**

The Agreement signed between the Registrar to the Issue and our Company entered into on May 18, 2011 provides for retention of records with the Registrar to this Issue for a period of at least three years from the last date of dispatch of the letters of allotment or refund orders, demat credit and making refunds as per the modes disclosed to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant and the bank branch or collection center 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 SCSBs or the Syndicate / Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations), giving full details such as name and address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch of the SCSBs or details of the Syndicate / Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations) where the ASBA Form was submitted by the ASBA Bidders.

The Registrar shall act as a nodal agency for redressing complaints of ASBA and non-ASBA investors including providing guidance to ASBA investors regarding approaching the SCSBs concerned.

### **Disposal of Investor Grievances by our Company**

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be ten days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible. We have also constituted Shareholders' / Investors' Grievance Committee of the Board of Directors *vide* resolution passed at the Board Meeting held on May 4, 2011, to review and redress the shareholders and investors grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the chapter titled '*Our Management*' beginning on page 68 of the Draft Red Herring Prospectus.

Our Company has appointed Mr. Omprakash Tiwari, Head-Finance as the Compliance Officer for this Issue and she may be contacted for redressal of any complaints at:

**Mr. Omprakash Tiwari**  
**Times Academy Limited**  
 A-39, Kailash Colony, New Delhi -110 048  
**Tel No.:** +91 11 6466 4657  
**Fax No.:** +91 11 4657 4657  
**Email:** [ipo@times.edu.in](mailto:ipo@times.edu.in)  
**Website:** [www.times.edu.in](http://www.times.edu.in)

Investors can also contact the Registrar to the Issue for redressal of any complaints relating to the Issue at the following address:

**Sharepro Services (India) Private Limited**  
 13AB, Samhita Warehousing Complex,  
 Sakinaka Telephone Exchange Lane,  
 Off Andheri Kurla Road,  
 Sakinaka, Andheri (East),  
 Mumbai - 400 072, Maharashtra.  
**Tel No:** +91- 22- 6191 5402 / 5404  
**Fax No:** +91- 22- 6191 5444  
**Website:** [www.shareproservices.com](http://www.shareproservices.com)  
**Email:** [times.ipo@shareproservices.com](mailto:times.ipo@shareproservices.com)  
**Contact Person:** Mr. Subhash Dhingreja  
**SEBI Registration No:** INR000001476

### **Disposal of Investor Grievances by our listed Group Entities**

For more information please refer to the chapter titled '*Our Group Entities*' beginning on page 85 of the Draft Red Herring Prospectus.

### **Changes in the Auditors during last three years and reasons thereof**

There have been no changes in our auditors in the last three years.

**Capitalisation of reserves or profits during the last five years**

Our Company has not made any bonus issue or capitalised its reserves since incorporation

**Revaluation of assets during the last five years**

Our Company has not revalued its assets for a period of five years prior to the date of the Draft Red Herring Prospectus.

## SECTION VIII - ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the SCRR, the SCRA, our Memorandum and Articles of Association, conditions of RBI approval, if any, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the ASBA Form, the Revision Form, the Allotment Advice and Confirmation of Allocation Note (“CAN”), Listing Agreements with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, Stock Exchanges, RBI, FIPB, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable.

#### Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act and our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in this Issue shall be entitled to dividends and/or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled ‘*Main Provisions of the Articles of Association*’ beginning on page 174 of the Draft Red Herring Prospectus.

#### Mode of payment of dividend

We shall pay dividend, if declared, to our shareholders as per the provisions of the Companies Act, the Articles of Association of our Company and the Listing Agreements entered into with the Stock Exchanges.

#### Face Value and Price Band

The face value of each Equity Share is ₹ 10. The Issue Price is [●]. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law. The Price Band and Minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM. These will be published by our Company at least two Working Days prior to the Issue/Bid opening date, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated.

#### Compliance with SEBI Rules and Regulations

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

#### Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability subject to applicable foreign direct investment policy, foreign exchange regulations and other applicable laws; 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 agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of our Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page 174 of the Draft Red Herring Prospectus.

### **Market Lot and Trading Lot**

Under section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of the Equity Shares is in dematerialized mode, the tradable lot is one Equity Share. Allotment of Equity Shares through this Issue will be done only in electronic form, in multiple of one Equity Share, subject to a minimum allotment of [●] Equity Shares.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in New Delhi, India.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

### **Nomination Facility to the Investor**

In accordance with Section 109A of the Companies Act, the sole or first bidder, along with other joint bidders, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidders, death of all the Bidders, as the case may be, the Equity Shares that are 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 such person would be entitled if such person 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/ transfer/ alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Company's Registered Office or with the Registrar of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. 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 (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

**Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with us. Nominations registered with respective depository participant of the applicant will prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.**

### **Minimum Subscription**

If our Company does not receive the minimum subscription of 90% of the Issue including devolvement of the Underwriters, if any, within 60 days from the Bid / Issue Closing Date, our Company shall forthwith refund the

entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 73 of the Companies Act.

Further, in terms of sub-regulation (4) of Regulation 26 of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will not be less than 1,000. If the number of allottees in the proposed Issue is less than 1,000 allottees, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company shall pay interest at the rate 15% per annum for the delayed period.

### **BID/ISSUE Program**

<b>Bid/Issue closes on (For QIB Bidders)*: [●], 2011</b>	
<b>Bid/Issue opens on: [●], 2011</b>	<b>Bid/Issue closes on (For NON QIB Bidders): [●], 2011</b>

*\*Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date subject to the Bid/Issue period being for a minimum of three Working Days*

### **Arrangement for Disposal of Odd Lots**

The Equity Shares of our Company will be traded in dematerialized form only and therefore the marketable lot is one (1) Equity Share. Hence, there is no possibility of any odd lots.

### **Application by Eligible NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI**

**As per the extant policy of the Government of India, OCBs cannot participate in this Issue.** The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, there exists a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/ or SEBI regulations as may be applicable to such investors. It is to be distinctly understood that there is no reservation for NRIs, FIIs or FCVIs registered with SEBI, applicants will be treated on the same basis with other categories for the purpose of allocation.

The allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restriction on transfer of Equity Shares**

Except for lock-in as detailed in chapter titled 'Capital Structure' beginning on page 17 of the Draft Red Herring Prospectus, and except as provided in our Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to section titled 'Main Provisions of the Articles of Association' beginning on page 174 of the Draft Red Herring Prospectus.

### **Option to receive Equity Shares in Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.*



## ISSUE STRUCTURE

Public Issue of 45,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lacs, (hereinafter referred to as the “Issue”).

The Issue will constitute 36.88% of the fully diluted total post issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process:

Particulars	Qualified Institutional Bidders	Non-Institutional Bidders	Retail Individual Bidders
<b>Number of Equity Shares*</b>	Not more than 22,50,000 Equity Shares	Not less than 6,75,000 Equity Shares or Issue less allocation to Qualified Institutional Bidders and Retail Individual Bidders	Not less than 15,75,000 Equity Shares or Issue less allocation to Non-Institutional Bidders and Qualified Institutional Bidders
<b>Percentage of the Issue Size available for allocation</b>	Not more than 50% of the Issue shall be available for allocation to QIBs.  However, up to 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only.  Mutual Funds participating in the QIB Portion will also be eligible for allocation in the remaining QIB Portion.	Not less than 15% of the Issue shall be available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Issue shall be available for allocation or Issue less allocation to QIB Bidders and Non Institutional Bidders
<b>Basis of Allotment, if respective category is oversubscribed</b>	(a) 1,12,500 Equity Shares, constituting 5% of the QIB portion, shall be available for allocation on a proportionate basis to Mutual Funds;  (b) 21,37,500 Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate
<b>Minimum Bid</b>	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000.	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter such that the Bid Amount does not exceed ₹ 2,00,000
<b>Maximum Bid</b>	Such number of Equity Shares in multiples of [●] not exceeding the size of the Issue subject to regulations as applicable to the Bidder	Such number of Equity Shares in multiples of [●] not exceeding the size of the Issue, subject to applicable investment limits	Such number of Equity Shares so as to ensure that the Bid Amount does not exceed ₹ 2,00,000.
<b>Mode of Allotment</b>	Compulsorily in dematerialized form	Compulsorily in dematerialized form	Compulsorily in dematerialized form
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity	[●] Equity Shares and in multiples of [●] Equity	[●] Equity Shares and in multiples of [●] Equity

Particulars	Qualified Institutional Bidders	Non-Institutional Bidders	Retail Individual Bidders
	Shares.	Shares.	Shares.
<b>Allotment Lot</b>	[●] Equity Shares and in multiples of one Equity Shares.	[●] Equity Shares and in multiples of one Equity Shares.	[●] Equity Shares and in multiples of one Equity Shares.
<b>Trading Lot</b>	One Equity Share	One Equity Share	One Equity Share
<b>Who can Apply **</b>	Qualified Institutional Bidders	Resident individuals, NRIs, HUF (applying through the Karta), companies, corporate bodies, scientific institutions, societies trusts, sub accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals.	Resident individuals, NRIs, HUF (applying through the Karta), applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.
<b>Terms of Payment***</b>	Full Bid Amount on bidding, to be blocked by the SCSBs pursuant to Bid being submitted by ASBA	Full Bid Amount on bidding, to be blocked by the SCSBs pursuant to Bid being submitted by ASBA	Full Bid Amount on bidding; in case of ASBA Bidders, full Bid Amount shall be blocked by the SCSBs pursuant to Bid being submitted by ASBA

*\*Subject to valid Bids being received at or above the Issue Price. The Issue is being made under sub-regulation (1) of Regulation 26 of the SEBI ICDR Regulations and through a Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion"). Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. Further not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. Under-subscription, if any, in any category would be allowed to be met with spill over from any of the other categories at the discretion of our Company, the BRLM and the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines, subject to valid Bids being received at or above the Issue Price.*

*\*\*In case the Bid Cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear.*

*\*\*\* In case of ASBA Bidders, SCSBs shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.*

## ISSUE PROCEDURE

*This section applies to all Bidders. All Bidders can participate in the Issue through the ASBA process. Furthermore, pursuant to SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 non- retail Investors are mandatorily required to utilise the ASBA facility to participate in the Issue. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSB at the time of Bidding.*

### Book Building Procedure

In terms of Rule 19(2)(b)(i) of the SCRR, this is an Issue for at least 25% of the post-Issue capital of our Company. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein not more than 50% of the Issue shall be available for allocation to QIBs on a proportionate basis out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% and 35% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price.

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

Any Bidder may participate in this Issue through the ASBA process by providing the details of their respective bank accounts / bank account held by a third party (subject to conditions as set forth hereinbelow) in which the corresponding Bid amounts will be blocked by SCSBs. Non- retail investors are mandatorily required to make use of the ASBA facility. All Bidders including ASBA Bidders can submit their Bids through the Syndicate (at ASBA bidding locations). Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, the Syndicate / sub-syndicate members may procure the ASBA Bid cum Application Form from investors in Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda, and Surat and submit the same to the SCSB. Syndicate/ sub-syndicate members are required to upload the bid and other relevant details of the ASBA Bid cum Application Form in the electronic bidding system provided by the Stock Exchanges and forward the same to the SCSBs.

**Investors should note that Allotment of Equity Shares to all successful Bidders will be only in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository accounts including DP ID, PAN and beneficiary account number shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only on the dematerialised segment of the Stock Exchanges.**

**Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form or the ASBA Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. If the Bid cum Application Form or the ASBA Bid cum Application Form was submitted in joint names, Bidders are required to ensure that the beneficiary accounts are held in the same joint names in the same sequence in which they appeared in the Bid cum Application Form or the ASBA Bid cum Application Form.**

### Bid cum Application Form and ASBA Bid cum Application Form

Retail Bidders shall use only the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus. Non- retail Bidders shall use the specified ASBA Bid cum Application Form, indicating the mode of payment option as being "ASBA" obtained from any member of the Syndicate, for the purpose of making a Bid in terms of the Red Herring Prospectus. Before being issued to Bidders, the Bid cum Application Form (except in relation to ASBA Bidders) shall be serially numbered. Bidders (other than ASBA Bidders) are required to submit their Bids through the

Syndicate or their affiliates (at ASBA bidding locations). Such Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus.

ASBA Bidders including QIBs and Non Institutional Bidders, shall submit the ASBA Bid cum Application Form either in physical or electronic form to the SCSB with whom the ASBA Account is maintained or to a member of the Syndicate (Syndicate / Sub – syndicate members at the ASBA Bidding Locations may procure the ASBA Bid cum Application Form from investors and submit the same to SCSBs) authorizing blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders (through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding). The ASBA Bid cum Application Form will also be available on the websites of the BSE and the NSE at least 1 day prior to the Bid/Issue Opening Date and shall bear a unique application number. The BRLM and the SCSBs will provide the hyperlink to BSE or NSE on their websites.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgment slip. This acknowledgment slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder and the Bidder shall preserve this and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue.

The Bid cum Application Form shall contain information about the Bidder and the price and number of Equity Shares that the Bidder wishes to Bid for. Bidders shall have the option to make a maximum of 3 Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

On filing of the Prospectus with the RoC, the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, shall be treated as a valid application form. On completion and submission of the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, to a member of the Syndicate or the SCSB, the Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form/ ASBA Bid cum Application Form as would be required under the SEBI ICDR Regulations and other applicable laws, for filing the Prospectus with the RoC and as would be required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form	Colour of ASBA Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis where the Bid Amount does not exceed ₹ 2 lacs.	[●]	[●]
Resident Indians and Eligible NRIs applying on a non-repatriation basis where the Bid Amount exceeds ₹ 2 lacs.	Not applicable	[●]
Non-Residents and Eligible NRIs applying on a repatriation basis where the Bid Amount does not exceed ₹ 2 lacs.	[●]	[●]
Non-Residents, Eligible NRIs, FVCIs Multilateral and bilateral development financial institutions and FIIs applying on a repatriation basis where the Bid Amount exceeds ₹ 2 lacs.	Not applicable	[●]

#### Who can Bid?

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form / ASBA Bid cum Application Form as follows: “Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;

- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws.
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual bidding in QIB portion;
- Persons eligible to invest under all applicable laws, regulations, rules and guidelines;
- Limited Liability Partnerships (LLPs) registered in India and authorised to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category.
- Venture capital funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 2,500 lacs and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 2,500 lacs and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by a resolution no. F. No. 2/3/2005- DD II dated November 23, 2005 of the Government of India, published in the Gazette of India;
- 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, India;
- Multilateral and Bilateral Development Financial Institutions; and
- All other persons eligible to invest under all applicable laws, rules, regulations and guidelines.

**As per the current RBI regulations, OCBs cannot participate in this Issue.**

**Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

#### **Participation by Associates and Affiliates of BRLM and Syndicate Members**

The BRLM and the Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the Syndicate Members are entitled to Bid for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such Bidding and subscription may be on their own account or on behalf of their clients.

#### **Bids by Mutual Funds**

As per the SEBI ICDR Regulations, 5% of the QIB Portion, has been specifically reserved for Allocation to Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund in the Mutual Fund Portion shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event demand in the Mutual Fund Portion is greater than 1,12,500 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall be available for allocation proportionately, after excluding the allocation in the Mutual Fund Portion, in the QIB Portion.

*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 equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own over 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which Bids is being made.

#### **Multiple Bids**

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

### **Bids by Non Residents including Eligible NRIs or FIIs or FVCIs on a repatriation basis**

There is no reservation in the Issue for Eligible NRIs or FIIs or FVCIs registered with SEBI. Such Eligible NRIs, FIIs and FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation. In accordance with FEMA and the regulations framed there under, OCB's cannot BID in the Issue.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### ***Bids by Eligible NRIs***

1. Bid cum Application Forms for Eligible NRIs applying on a repatriation basis ([●] in colour if under the retail portion, [●] ASBA Bid cum Application Forms to be used if the Bid amount exceeds ₹ 2 lacs) will be made available at our Registered Office and with the Syndicate (at ASBA bidding locations) or SCSBs and the Registrar to the Issue, as the case may be.
2. Only such applications as are accompanied by payment in freely convertible foreign exchange shall be considered for Allotment. Eligible NRIs who intend to make payment through Non Resident Ordinary ("NRO") accounts or by debits to their Non-Resident External ("NRE") or Foreign Currency Non-Resident ("FCNR") accounts should use the application form meant for Resident Indians ([●] in color if under the retail portion, [●] ASBA Bid cum Application Forms to be used if the Bid amount exceeds ₹ 2 lacs) and shall not use the form meant for any reserved category.

Bids by Eligible NRIs for a Bid Amount of up to ₹ 2 lacs would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 2 lacs would be considered under Non-Institutional Portion for the purposes of allocation. Eligible NRIs Bidding under the Non- Institutional Portion are required to utilise the ASBA facility to submit their Bids.

### **Bids by FIIs**

As per 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 1,22,01,500 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 a foreign individual. In accordance with the foreign investment limits applicable to our Company, such investment must be made out of funds raised or collected or brought from outside through normal banking channels and the investment must not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. As of the date of the Draft Red Herring Prospectus, our Company has not passed such resolution and the total foreign investment including FII investment cannot exceed 24% of our total issued capital unless approved by the shareholders of our Company.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended (the "**SEBI FII Regulations**"), an FII, as defined in the SEBI FII Regulations, may issue, or otherwise deal in offshore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by an FII against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory

authority as defined under the SEBI FII Regulations. Associates and affiliates of the Underwriters, including the BRLM and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation of, claim on or an interest in, our Company.

### **Bids by SEBI-registered Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, each, as amended, prescribe investment restrictions on Venture Capital Funds and FVCIs respectively registered with the SEBI. Accordingly, the holding in any company by any individual venture capital fund or FVCI registered with the SEBI should not exceed 25% of the corpus of such venture capital fund or FVCI respectively. However, venture capital funds or FVCIs may invest only upto 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

**Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only at the rate of exchange prevailing at the time of remittance and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form or ASBA Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “**IRDA Investment Regulations**”), are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
- (c) The industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, *i.e.* December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub-ceilings. Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

### **Bids by provident funds/ pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lac, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/

pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

**The above information is given for the benefit of the Bidders. Our Company, the Directors, the officers of the Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Bid cum Application Form / ASBA Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to Bids by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form or the ASBA Bid cum Application Form, as applicable. Failing this, our Company reserves the right to accept or reject any Bid, in whole or in part, in either case without assigning any reasons thereof.
- (b). With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Bid cum Application Form / ASBA Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid, in whole or in part, in either case without assigning any reasons thereof.
- (c). With respect to Bids made by provident funds with minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form / ASBA Bid cum Application Form. Failing this, our Company reserves the right to accept or reject such bid, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form / ASBA Bid cum Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA Bidders, the Demographic Details given on the Bid cum Application Form / ASBA Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Bid cum Application Form / ASBA Bid cum Application Form instead of those obtained from the Depositories.

**The above information is given for the benefit of the Bidders. Our Company, its Directors, officers, the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus. Our Company, the BRLM do not accept any responsibility for the completeness and accuracy of the information stated above.**



*Maximum and Minimum Bid Size*

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 2 lacs. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2 lacs. If the Bid Amount is over ₹ 2 lacs due to revision of the Bid or revision of the Price Band or on exercise of the option to be Bid at the Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion only if the Bidding was done through ASBA. The option to Bid at the Cut-Off Price is given only to the Retail Individual Bidders, indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares in multiples of [●] such that the Bid Amount exceeds ₹ 2 lacs. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the entire Bid amount upon submission of the Bid. The identity of QIB Bidding in the Issue under the QIB Portion shall not be made public during the Issue Period.

In case of revision in Bids, Non-Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than ₹ 2 lacs for being considered for allocation in the Non-Institutional Portion. If the Bid Amount reduces to ₹ 2 lacs or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at the Cut-Off Price. **A QIB Bidder cannot withdraw its Bid after the Bid/ Issue Closing Date.**

**Non-retail Investors i.e. QIBs and Non Institutional Investors who intend to participate in the Issue are mandatorily required to submit their Bids through the ASBA facility.**

Payments made upon any revision of Bids shall be adjusted against the payment made at the time of the original Bid or the previously revised Bid. The maximum and minimum Bid size applicable to a QIB, Retail Individual Bidder or a Non-Institutional Bidder shall be applicable to an ASBA Bidder in accordance with the category that such ASBA Bidder falls under.

**Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.**

**Information for the Bidders:**

- (a) The Red Herring Prospectus will be filed by our Company with the RoC at least 3 days before the Bid / Issue Opening Date.
- (b) Copies of the Bid cum Application Form and the ASBA Bid cum Application Form, as also the Red Herring Prospectus will be available with the members of the Syndicate and at our Registered Office. For ASBA Bidders, Bid cum Application Forms in physical form will be available with the Designated Branches and with the members of the Syndicate; and electronic ASBA Bid cum Application Forms will be available on the websites of the BSE and the NSE and the Designated Branches of the SCSBs.
- (c) Any Investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form or the ASBA Bid cum Application Form can obtain the same from our Registered Office or from any of the members of the Syndicate. In addition, electronic ASBA Bid cum Application Forms shall be available on the websites of SCSBs. Furthermore, the SCSBs shall ensure that the abridged prospectus is made available on their websites.
- (d) Our Company, the BRLM shall declare the Bid / Issue Opening Date and the Bid / Issue Closing Date at the time of filing of the Red Herring Prospectus with the RoC and the same shall also be published in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated.
- (e) Eligible Bidders who are interested in Bidding for the Equity Shares should approach any of the BRLM or the Syndicate Members or their authorized agent(s) to register their Bids. Eligible Bidders can approach the

members of the Syndicate or their authorised agent(s) to submit their Bids under the ASBA process. It may be noted that QIBs and Non Institutional Investors are mandatorily required to submit their Bids through the ASBA facility, in order to participate in the Issue.

- (f) The Bids should be submitted on the prescribed Bid cum Application Form or the prescribed ASBA Bid cum Application Form only, as the case may be. Bids by ASBA Bidders shall be accepted by the members of the Syndicate (and, in the ASBA Bidding Locations, by members of the Sub - syndicate) and Designated Branches of SCSBs in accordance with the SEBI ICDR Regulations and any other circulars issued by SEBI in this regard. Bid cum Application Forms or ASBA Bid cum Application Forms should bear the stamp of the members of the Syndicate or Designated Branch. Bid cum Application Forms or ASBA Bid cum Application Forms (except electronic ASBA Bid cum Application Forms), which do not bear the stamp of a member of the Syndicate or the Designated Branch, are liable to be rejected.
- (g) With effect from August 16, 2010, the demat accounts of Bidders for whom PAN details have not been verified excluding (i) persons resident in the state of Sikkim; (ii) the Central or State Governments and the (iii) officials appointed by the courts, who, may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

**Bidders are advised not to submit the Bid cum Application Form to Escrow Collection Banks and the same will be rejected in such cases and the Bidders will not be entitled to any compensation whatsoever.**

### **ASBA Bidders**

ASBA Bid cum Application Forms should bear the stamp of a member of the Syndicate and/or Designated Branch of the SCSB. ASBA Bid cum Application Forms which do not bear the stamp of a member of the Syndicate or SCSB will be rejected.

- (a) Copies of ASBA Bid cum Application Forms in physical form will be available with the Designated Branches and with the members of the Syndicate; and electronic ASBA Bid cum Application Forms will be available for downloading and printing, from the websites of the Stock Exchanges (which provide electronic interface for ASBA facility) at least 1 day prior to the Bid / Issue Opening Date. A unique application number will be generated for every ASBA Bid cum Application Form downloaded and printed from the websites of the Stock Exchanges. The BRLM and the SCSBs will provide the hyperlink to the BSE or the NSE on their websites.
- (b) The BRLM shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and ASBA Bid cum Application Forms to the members of the Syndicate and the SCSBs. The members of the Syndicate and the SCSBs will then make available such copies to non- retail Investors who are required to apply in this Issue through the ASBA process and retail Investors intending to apply in this Issue through the ASBA process. Additionally, the BRLM shall ensure that the members of the Syndicate and the SCSBs are provided with soft copies of the abridged prospectus as well as the ASBA Bid cum Application Forms and that the same are made available on the websites of the SCSBs.
- (c) ASBA Bidders, under the ASBA process, who wish to obtain the Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain such documents from the Designated Branches of the SCSBs, BRLM or members of the Syndicate/ sub-syndicate members located in the ASBA Bidding Locations. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form from the websites of the SCSBs and the Stock Exchanges.
- (d) The Bids should be submitted on the prescribed ASBA Bid cum Application Form either in physical mode or in electronic mode through the internet banking facility offered by an SCSB for bidding and blocking funds in the bank account maintained with the SCSB specified in the ASBA Bid cum Application Form. ASBA Bidders in ASBA Bidding Locations may also submit the ASBA Bid cum Application Form to the Syndicate/ sub-syndicate members. The Syndicate/ sub-syndicate members are required to upload the bid and other relevant details of the ASBA Bid cum Application Form in the electronic bidding system provided by the stock exchanges and forward the same to the SCSBs.
- (e) ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the applicable Designated Branch or members of the Syndicate/ sub-syndicate members in Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur,

Bangalore, Hyderabad, Pune, Baroda, and Surat. In case the amount available in the bank account specified in the ASBA Bid cum Application Form is insufficient for blocking the amount equivalent to the Bid Amount, the SCSB shall reject the Bid.

- (f) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

**Bidders may note that in case the details of DP ID, Client ID and PAN mentioned in the ASBA Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members do not match with the details of DP ID, Client ID and PAN available in the Depository database, the ASBA Bid cum Application Form, is liable to be rejected.**

## INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders other than ASBA Bidders can obtain ASBA Bid cum Application Forms and Revision Forms from the members of the Syndicate (at ASBA Bidding Locations). ASBA Bidders can obtain ASBA Bid cum Application Forms and/or ASBA Revision Forms from the Designated Branches of the SCSBs and the members of the Syndicate (at ASBA Bidding Locations). ASBA Bidders can also obtain a copy of the ASBA Bid cum Application Forms and/or ASBA Revision Form in electronic form from the websites of the SCSBs and the Stock Exchanges.

Bids and revisions of Bids must be:

- i) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.
- ii) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained here, in the Bid cum Application Form or in the Revision Form. Bidders must provide details of valid and active DP-ID, client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment. Incomplete Bid cum Application Forms, Revision Forms or ASBA Bid cum Application Form, or Revision Forms or in the ASBA Revision Form are liable to be rejected. Bidders should note that the members of the Syndicate and/or the SCSBs (as appropriate) will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.
- iii) Information provided by the Bidders will be uploaded in the online IPO system by the members of the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make allocation/Allotment. Bidders are advised to ensure that the details are correct and legible.
- iv) For Retail Individual Bidders (including Eligible NRIs), the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid Amount of ₹ 2 lacs. In case the Bid Amount is over ₹ 2 lacs due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The option to Bid at cut-off price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- v) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares in multiples of [●] thereafter such that the Bid Amount exceeds ₹ 2 lacs. Bids cannot be made for over the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of equity shares that can be held by them under the applicable laws or regulations.
- vi) In a single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- vii) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- viii) Bids through ASBA must be made only in the prescribed ASBA Bid cum Application Form (if submitted in physical mode) or electronic mode. ASBA Bidders should correctly mention the ASBA Account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the ASBA Account before submitting the ASBA Form to the respective Designated Branch.

- ix) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

### **Submission of Bid cum Application Form**

All Bid cum Application Forms or Revision Forms (other than Bid cum Application Forms or Revision Forms used by ASBA Bidders) duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

In case of physical ASBA Bids, the ASBA Bidder shall submit the Bid cum Application Form bearing the stamp of the Designated Branch or the member of the Syndicate at the relevant Designated Branch or the relevant member of the Syndicate at Syndicate ASBA Bidding Locations, respectively. In case the ASBA Bidder submits its Bid through a member of the Syndicate at a Syndicate ASBA Bidding Location, the Bid will be uploaded by that member of the Syndicate in the electronic bidding system of the Stock Exchanges and the Bid cum Application Form will then be forwarded to the concerned SCSB for further action including signature verification and blocking of funds. In case of application in electronic form, the ASBA Bidder shall submit the Bid cum Application Form either through the internet banking facility available with the SCSBs, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA Account held with the SCSB, and accordingly register such Bids. The SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate or the SCSB, as the case may be, will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder and should be preserved for future reference including for investor grievances.

### **GENERAL INSTRUCTIONS**

#### ***Dos:***

- (a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus under applicable laws, rules and regulations, guidelines and approvals;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Resident Bid cum Application Form ([●] in colour), the Non-Resident Bid cum Application Form ([●] in colour), Resident ASBA Bid cum Application Form ([●] in colour), the Non-Resident ASBA Bid cum Application Form ([●] in colour), as applicable;
- (d) Ensure that the details about PAN, Depository Participant and Beneficiary Account are correct, and the Beneficiary Account is activated, as Allotment of Equity Shares will be in the dematerialized form only;
- (e) Ensure that the Bids are submitted at the Bidding centres only on forms bearing the stamp of a member of the Syndicate or the SCSB in case of ASBA Bidders (except in case of electronic ASBA Bid cum Application Forms); In case you are a Bidder other than an ASBA Bidder, ensure that your Bid is submitted at the bidding center only on a form bearing the stamp of a member of the Syndicate. In case you are an ASBA Bidder, the Bid should be submitted to a Designated Branch of an SCSB / Syndicate member, with which the ASBA Bidder or a person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue or collecting banks (assuming that such collecting banks are not SCSBs), our Company or the Registrar. With respect to ASBA Bids, ensure that you use the ASBA Bid-cum-Application Form specified for this purpose, and that such form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Bid-cum-Application Form;
- (f) Ensure that the full Bid Amount is paid for Bids submitted to the members of the Syndicate and funds equivalent to the Bid Amount are blocked by the SCSBs in case of Bids submitted through the ASBA process;

- (g) Ensure that you have funds equal to the Bid Amount in your ASBA bank account of the respective Designated Branch of the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of SCSB / Syndicate member;
- (h) Ensure that the DP ID, the Client ID and PAN mentioned in the Bid cum Application Form match with the DP ID, the Client ID and PAN available in the depository database;
- (i) Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
- (j) Ensure that you request for and have received a TRS for all your Bid options;
- (k) Submit revised Bids to the same member of the Syndicate or Designated Branch of the SCSB through whom the original Bid was placed and obtain a revised TRS/acknowledgement;
- (l) Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Bidders should mention their PAN allotted under the I.T. Act. Applications in which the PAN is not matching with one entered by the Syndicate or the SCSB in the Bidding terminal and PAN as available with depositories for a given DP ID and client ID is liable to be rejected;
- (m) Ensure that the Demographic Details (as defined below) are updated, true and correct in all respects;
- (n) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. If the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.
- (o) Ensure that the Depository Participant identification number (DP ID), the client identification number (Client ID) and PAN mentioned in the Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or Designated Branches of the SCSBs, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database. The Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or the Designated Branches of the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the database of the depository, then such Bids are liable to be rejected.
- (p) Where the Bid cum Application Form / ASBA Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form / ASBA Bid cum Application Form. If the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
- (q) In addition, ASBA Bidders should ensure that:
  - a. the ASBA Bid-cum-Application Form is signed by the account holder in case the applicant is not the account holder;
  - b. the correct bank account numbers have been mentioned in the ASBA Bid-cum-Application Form;
  - c. the authorisation box in the ASBA Bid cum Application Form has been correctly checked, or an authorisation to the SCSB through the electronic mode has been otherwise provided, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in the ASBA Account maintained with a branch of the concerned SCSB; and
  - d. an acknowledgement from the Designated Branch of the concerned SCSB or the Syndicate/ sub-syndicate member in designated cities for the submission of the ASBA Bid cum Application Form has been obtained.

***Dont's:***

- (a) Do not Bid for lower than the minimum Bid size.
- (b) For Bidders other than ASBA Bidders, do not submit a Bid without payment of the entire Bid Amount. In case you are an ASBA Bidder, do not Bid on another ASBA Bid cum Application Form or Bid cum Application Form after you have submitted a Bid to a Designated Branch of an SCSB or a Syndicate Member;
- (c) Do not Bid/revise the Bid to less than the Floor Price or higher than the Cap Price;
- (d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate or the Designated Branch. In case you are an ASBA Bidder, do not Bid on another ASBA Bid cum Application Form or Bid cum Application Form after you have submitted a Bid to a Designated Branch of an SCSB or a Syndicate Member;
- (e) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest and in relation to ASBA Bidders in any other mode other than blocked amounts in the bank accounts maintained by SCSBs;
- (f) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate or Designated Branch, as applicable;
- (g) Do not Bid *via* any mode other than ASBA (for QIBs and Non-Institutional Bidders);
- (h) Do not Bid at the Cut-off Price (for QIB Bidders, Non-Institutional Bidders, for a bid amount exceeding ₹ 2 lacs);
- (i) Do not fill up the Bid cum Application Form or ASBA Bid cum Application Form such that the Equity Shares Bid for exceed the Issue size and/or investment limit or maximum number of Equity Shares that can be held under applicable laws or regulations or the maximum amount permissible under applicable regulations or under the terms of the Red Herring Prospectus;
- (j) Do not submit more than five ASBA Bid cum Application Forms per bank account;
- (k) Do not Bid for amount exceeding ₹ 2 lacs in case of a Bid by Retail Individual Bidders;
- (l) Do not submit the GIR number instead of the PAN as the Bid will be rejected on this ground;
- (m) Do not submit incorrect details of DP ID, Client ID and PAN or give details for which demat account is suspended or for which such details cannot be verified by the Registrar; and
- (n) Do not Bid for allotment of Equity Shares in physical form.
- (o) Do not submit the Bid cum Application Forms to Escrow Collection Bank(s);
- (p) Do not submit a Bid if not competent to enter into a contract under the Indian Contract Act, 1872, as amended;
- (q) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or their relevant constitutional documents or otherwise;
- (r) Do not submit a Bid that does not comply with the securities laws of your respective jurisdictions;
- (s) Do not submit the Bids without the full Bid Amount.

#### **Method and Process of Bidding**

- (a) Our Company, the BRLM shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date at the time of filing the Red Herring Prospectus with the RoC and also publish the same in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated. This advertisement,

subject to the provisions of Section 66 of the Companies Act shall be in the format prescribed in Schedule XIII of the SEBI ICDR Regulations.

- (b) The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated, at least two Working Days prior to the Bid/Issue Opening Date.
- (c) Bidders, who are interested in subscribing to the Equity Shares should approach any of the members of the Syndicate, their authorized agents or SCSBs to register their Bids, during the Bid / Issue Period. The members of the Syndicate shall accept Bids from the all Bidders and shall have the right to vet the Bids, during the Bid / Issue Period in accordance with the terms of the Syndicate Agreement and the Red Herring Prospectus. QIB and Non Institutional Bidders must necessarily use the ASBA process and Bidders using the ASBA facility to submit their Bids should approach the Syndicate members or Designated Branches of the SCSBs (at ASBA Bidding Locations) to register their Bids.

ASBA Bidders are required to submit their Bids either in physical or electronic mode to SCSBs or to the Syndicate/ sub-syndicate members (at ASBA Bidding Locations) in designated cities. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form should submit their Bids using the internet enabled bidding and banking facility of the SCSBs for bidding and blocking funds in the accounts of the bank account maintained with the SCSB specified in the ASBA Bid cum Application Form, and accordingly registering such Bids. Every Designated Branch of the SCSBs shall accept Bids from all such investors who wish to place Bids through them and the account in which funds are to be blocked is maintained with them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI ICDR Regulations and the Red Herring Prospectus.

The Designated Branches of the SCSBs shall provide to the ASBA Bidders an acknowledgment specifying the application number as proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares Bid for shall be allocated to the ASBA Bidders. Upon receipt of the ASBA Bid cum Application Form, submitted in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as specified in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges

ASBA Bidders in ASBA Bidding Locations may also submit the ASBA Bid cum Application Form to the Syndicate/ sub-syndicate members. Each such Syndicate/ sub-syndicate member shall provide to the ASBA Bidders an acknowledgement as proof of acceptance of the ASBA Bid cum Application Form. The Syndicate/ sub-syndicate members are required to upload the bid and other relevant details of the ASBA Bid cum Application Form in the electronic bidding system provided by the stock exchanges and forward the same to the SCSBs.

- (d) The Bid / Issue Period shall be for a minimum of three Working Days and not exceeding ten Working Days (including the days for which the Issue is open in case of revision in Price Band). If the Price Band is revised, the revised Price Band and the Bid/Issue Period will be published in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated, together with an indication of such change on the websites of the BRLM and SCSBs and at the terminals of the Syndicate Members and the Bidding Period shall be extended by a minimum period of an additional three Working Days, subject to the total Bidding Period not exceeding ten days
- (e) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details see *“Bids at Different Price Levels and Revision of Bids”* below, within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form and / or ASBA Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

- (f) The Bidder cannot Bid on another Bid cum Application Form after Bid(s) on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple bidding and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point in time before the Allotment of Equity Shares in the Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “*Build up of the Book and Revision of Bids*”.
- (g) An ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after a Bid on one ASBA Bid cum Application Form, (i) either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs and uploaded by the ASBA Bidder, (ii) has been submitted to Syndicate / sub-syndicate members in the designated cities. Submission of a second ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB or to the Syndicate/ sub-syndicate members in designated cities will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in the Issue. However, the ASBA Bidder can revise the Bid through the ASBA Revision Form, the procedure for which is detailed under the paragraph “*Build up of the Book and Revision of Bids*”.
- (h) The members of the Syndicate or the SCSBs will enter each Bid option into the electronic Bidding system as a separate Bid and generate a Transaction Registration Slip (“**TRS**”), for each price and demand option and shall, on demand, give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form or ASBA Bid Cum Application Form.
- (i) With respect to ASBA Bidders who have submitted their physical ASBA Bid cum Application Form to the members of the Syndicate at the ASBA Bidding Locations, on receipt of the ASBA Bid cum Application Form from the relevant member of the Syndicate, the relevant Designated Branch of the SCSB will verify if sufficient funds equal to the Bid Amount are available in the ASBA Account. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB will reject the Bid and shall not upload such bids with the Stock Exchanges. If sufficient funds are available in the ASBA Account, the SCSB will block an amount equal to the Bid Amount and will carry out other procedures including signature verification.
- (j) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.
- (k) The identity of the QIBs, who have been allocated Equity Shares, bidding in the Issue shall not be made public.
- (l) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled ‘*Payment Instructions*’ under the chapter titled ‘*Issue Procedure*’ beginning on page 138 of the Draft Red Herring Prospectus.

**INVESTORS ARE ADVISED NOT TO SUBMIT THE BID CUM APPLICATION FORMS TO THE ESCROW COLLECTION BANKS. BIDS SUBMITTED TO THE ESCROW COLLECTION BANKS SHALL BE REJECTED AND SUCH BIDDERS SHALL NOT BE ENTITLED TO ANY COMPENSATION ON ACCOUNT OF SUCH REJECTION.**

#### **Bids at Different Price Levels and Revision of Bids**

- (a) The Price Band and the minimum Bid lot size shall be decided by our Company in consultation with the BRLM and advertised at least 2 Working Days prior to the Bid / Issue Opening Date, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated.



- (b) Our Company in consultation with the BRLM reserves the right to revise the Price Band during the Bid / Issue Period in accordance with the SEBI ICDR Regulations provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side *i.e.* the floor price can move upward or downward to the extent of 20% of the floor price disclosed at least two Working Days prior to the Bid / Issue Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Bid / Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to a maximum of ten Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated and also by indicating the change on the websites of the BRLM, SCSBs and at the terminals of the Syndicate Members.
- (d) Our Company in consultation with the BRLM can finalize the Issue Price within the Price Band in accordance with this section, without the prior approval of or intimation to, the Bidders.
- (e) The Bidder can Bid at any price within the Price Band in multiples of ₹ 1. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail individual Bidders may Bid at the Cut-Off Price. However, Bidding at Cut-off Price is prohibited for QIB or Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.
- (f) Retail individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-off Price shall deposit the Bid Amount based on the Cap Price with the members of the Syndicate. In case of ASBA Bidders bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs (directly or through ASBA Bid cum Application Forms submitted to the Syndicate members) to block an amount based on the Cap Price. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price, the Retail Individual Bidders and who Bid at Cut-off Price shall receive the refund of the excess amounts from the Escrow Account(s) in the manner described under the paragraph "*Payment of Refund*".
- (g) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the revised Cap Price (such that the total amount *i.e.*, original Bid Amount plus additional payment does not exceed ₹ 2 lacs for Retail Individual Bidders, if the Bidder wants to continue to Bid at Cut-off Price), with the Syndicate member to whom the original Bid was submitted, or, in the case of ASBA Bidders, instruct the SCSB or the Syndicate/ sub-syndicate member (such Syndicate/ sub-syndicate member to further instruct the relevant SCSB) to whom the original Bid was submitted to block additional amounts based on the cap of the revised Price Band. In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds ₹ 2 lacs for Retail Individual Bidders bidding at the Cut-off Price the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.
- (h) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding would be refunded from the Escrow Account(s) or unblocked by the SCSBs.
- (i) Our Company in consultation with the BRLM shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 5,000 to ₹ 7,000. In the event of any revision in the Price Band, whether upward or downward, the minimum application size shall remain [•] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of ₹ 5,000 to ₹ 7,000.
- (j) When a Bidder has revised his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. It is the Bidder's responsibility to request for and obtain the revised TRS, which will act as proof of revision of the previous Bid.

- (k) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the Bids by ASBA Bidders, if revision of the Bids results in an incremental amount, the relevant SCSB or the Syndicate/ sub-syndicate member (such Syndicate/ sub-syndicate member to further instruct the relevant SCSB) to whom the original Bid was submitted shall block the additional Bid Amount. In case of Bids, other than ASBA Bids, the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid. In such cases, the Syndicate will revise the earlier Bids details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.

#### **Bidder's Depository Account and Bank Account Details, PAN**

Bidders should note that on the basis of the Sole/First Bidder's Permanent Account Number, Depository Participant's name, DP ID number and beneficiary account number provided by them in the Bid cum Application Form / ASBA Bid cum Application Form and as entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs as the case may be, the Registrar to the Issue will obtain from the Depository the demographic details including the Bidder's address, occupation, category, age and bank account details including the nine-digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf ('**Demographic Details**'). These Demographic Details would be used for giving refunds and allotment advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) to the Bidders. It is mandatory to provide the bank account details in the space provided in the Bid cum Application Form / ASBA Bid cum Application Form and Bid cum Application Forms / ASBA Bid cum Application Forms that do not contain such details are liable to be rejected. Hence, Bidders are advised to immediately update their bank account details, PAN and Demographic Details as appearing on the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in dispatch/credit of refunds to Bidders at the Bidders sole risk and neither the BRLM or the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their depository account details in the Bid cum Application Form. Please note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form / ASBA Bid cum Application Form and entered into the electronic Bidding system of the Stock Exchanges by the members of the Syndicate, do not match with the DP ID, Client ID and PAN available in the depositories' database, such Bid cum Application Form / ASBA Bid cum Application Form is liable to be rejected.

**IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR PAN, DP NAME, DP ID NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM AS THE CASE MAY BE. INVESTORS MUST ENSURE THAT THE PAN, DP ID NUMBER AND BENEFICIARY ACCOUNT NUMBER GIVEN IN THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM AS THE CASE MAY BE IS EXACTLY THE SAME AS PROVIDED IN THE DEPOSITORY ACCOUNT. IF THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM.**

Since these Demographic Details will be used for all correspondence with the Bidders, they are advised to update the Demographic Details as provided to their Depository Participants. The Demographic Details given by Bidders in the Bid cum Application Form / ASBA Bid cum Application Form will not be used for any other purposes by the Registrar to the Issue.

By signing the Bid cum Application Form / ASBA Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Refund Orders (where refunds are not being made electronically) / Allotment Advice / CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/ Allotment Advice / CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the**

address and other details given by the Bidder in the Bid cum Application Form / ASBA Bid cum Application Form would be used only to ensure dispatch of refund orders. Any such delay shall be at the Bidders sole risk none of neither our Company, nor Escrow Collection Banks, the Designated Branch of the SCSBs, the Syndicate Members, the BRLM nor the Registrar to the Issue shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Red Herring Prospectus, Bidders may note that refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, Bidder's PAN (in case of joint Bids, PAN of first applicant), the DP ID and the beneficiary's identity, such Bids are liable to be rejected.

## **PAYMENT INSTRUCTIONS**

### **Escrow Mechanism for Retail individual Bidders other than ASBA Bidders**

*Pursuant to SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 non- retail Investors are mandatorily required to utilise the ASBA facility to participate in the Issue.*

Our Company and the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Retail individual Bidders would be deposited in the relevant Escrow Account.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus, the Prospectus and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the Bidders shall maintain the monies in the Escrow Account(s) until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

**The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Bidders.**

### **Terms of Payment for Retail Individual Bidders other than ASBA Bidders and Payment into the Escrow Account**

*Pursuant to SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 non- retail Investors are mandatorily required to utilise the ASBA facility to participate in the Issue.*

Each Retail Individual Bidder who does not utilize the ASBA facility shall pay the full Bid Amount at the time of the submission of the Bid-cum-Application Form, and shall, along with the submission of the Bid-cum-Application Form, draw a cheque or demand draft in favor of the relevant Escrow Account of the Escrow Collection Bank(s) (see 'Payment in Escrow Account' below), and submit such cheque or demand draft to the member of the Syndicate to whom the Bid is being submitted. Retail Individual Bidders may also provide the entire Bid Amount by way of an electronic transfer of funds through the RTGS mechanism. Bid-cum-Application Forms accompanied by cash/stockinvest/money order/postal order shall not be accepted.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Retail individual Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account of our Company shall be transferred to the Refund Account on the Designated Date. No later than 12 Working Days from the Bid / Issue Closing Date, the Escrow Collection Bank(s) shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment, to the Bidders.

Where the Retail individual Bidder has been allotted a lesser number of Equity Shares than he or she had Bid for, the excess amount paid on Bidding, if any, after adjustment for Allotment, will be refunded to such Bidder within 12 Working Days from the Bid / Issue Closing Date, failing which our Company shall pay interest according to the provisions of the Companies Act for any delay of more than 7 days after the Basis of Allotment or 15 days from the Bid / Issue Closing Date, whichever is earlier.

#### *Payment into Escrow Accounts*

- (a) All Retail Individual Bidders who are not Bidding through ASBA facility would be required to pay the entire Bid Amount at the time of the submission of the Bid-cum-Application Form.
  - (b) The Retail Individual Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Account(s) and submit the same to the member of the Syndicate. If the payment is not made favouring the Escrow Account along with the Bid cum Application Form, the Bid shall be rejected. Bid cum Application Forms accompanied by cash, stockinvest, money order or postal order shall not be accepted.
  - (c) The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:
    - In case of Resident Retail Bidders: “Escrow Account – TAL Public Issue - R”
    - In case of Non-Resident Retail Bidders: “Escrow Account - TAL Public Issue - NR”
  - (d) In case of Bids by Eligible Retail Individual NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting an NRE Account or FCNR Account.
  - (e) In case of Bids by Eligible Retail Individual NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
- In case of Bids by FIIs, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
- (f) The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders until the Designated Date.
  - (g) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement and the Red Herring Prospectus into the Public Issue Account and the surplus amount shall be transferred to the Refund Account.
  - (h) Within twelve Days from the Bid/Issue Closing Date, the Registrar to the Issue shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.
  - (i) Payments should be made by cheque, or demand draft drawn on any bank (including a cooperative Bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by

such cheques or bank drafts are liable to be rejected. Cash, stockinvest, money orders or postal orders will not be accepted.

- (j) In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.
- (k) Bidders are advised to mention the number of the Bid cum Application Form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.
- (l) **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 center where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.**

#### **Payment mechanism for ASBA Bidders**

***Pursuant to SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 non- retail Investors are mandatorily required to utilise the ASBA facility to participate in the Issue***

ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form which is to be submitted to the Syndicate member. The Syndicate member shall in turn forward the ASBA Bid cum Application Form to the SCSB for processing and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal / rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount. In the event of withdrawal or rejection of the ASBA Bid cum Application Form, failure of the Issue or for unsuccessful ASBA Bid cum Application Forms, the Registrar shall give instructions to the SCSB to unblock the Bid Amount in the relevant bank account and the SCSBs shall unblock the Bid Amount on receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Upon completing and submitting the ASBA Form to the Designated Branch or the Syndicate / Sub – syndicate Member, (at the ASBA Bidding Location) whether in physical or electronic mode, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing without prior or subsequent notice of such changes to the ASBA Bidders.

Upon submission of an ASBA Bid cum Application Form with the SCSB or the Syndicate / Sub – syndicate Member, (at the ASBA Bidding Location) whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch to block such Bid Amount in the ASBA Account. An ASBA Bid cum Application Form should not be accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form until the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Accounts, in accordance with the SEBI ICDR Regulations, into the Public Issue Account. The balance amount, if any, against any Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

***Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 (i) Non-Institutional Bidders and QIB Bidders are required to mandatorily apply through ASBA, and (ii) the syndicate/ sub-syndicate members may procure the ASBA Bid cum Application Form from the investors in Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda, and Surat and submit it to the SCSB. Syndicate/ sub-syndicate members are required to upload the bid and other relevant details of the ASBA Bid cum Application Form in the electronic bidding system provided by the stock exchanges and forward the same to the SCSBs.***

## **Payment by Stockinvest**

Under the terms of the RBI Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use stockinvest instruments in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Accordingly, payment through stockinvest will not be accepted in the Issue.

## **Other Instructions**

### **Joint Bids in case of Individuals**

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form / ASBA Bid cum Application Form or Revision Form, as the case may be. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **Multiple Bids**

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one (common PAN as per Depository records) and the same.

In this regard, the procedures to be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name, age, status and first line address will be accumulated and taken into a separate process file which would serve as a multiple master document.
2. In such master, a check will be carried out for the same PAN numbers. In cases where the PAN numbers are different, the same will be deleted from this master.
3. The Registrar to the Issue will obtain from the Depositories the details of the applicant's address based on the DP ID and Client ID provided in the Bid cum Application Form/ASBA Bid cum Application Form and create an address master.
4. The addresses of all these applications from the multiple master will be strung from the address master. This involves including the addresses in a single line after deleting non-alpha and non-numeric characters, i.e., commas, full stops, hashes etc. Sometimes, the name, the first line of the address and pin code will be converted into a string for each application received and a photo match will be carried out among all the applications processed. A print-out of the addresses will be made to check for common names. Applications with the same name and same address will be treated as multiple applications.
5. The applications will be scanned for similar DP ID and Client ID. In cases where applications bear the same numbers, these will be treated as multiple applications.

After the aforesaid procedures, a print-out of the multiple master will be taken and the applications physically verified to tally signatures and also the father's/husband's names. On completion of this, the applications will be identified as multiple applications. In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Bids by QIBs will not be considered as multiple Bids.

After Bidding on an ASBA Bid cum Application Form either in physical or electronic mode, where such ASBA Bid has been submitted to the Designated Branches of SCSBs and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form. Submission of a second Bid cum Application Form, whether an ASBA Bid cum Application Form, to either the same or to another Designated Branch of the SCSB, or a Non-ASBA Bid cum Application Form, will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the ASBA Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in "*Build up of the Book and Revision of Bids*".

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs shall not accept a total of more than five ASBA Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account.

Our Company, in consultation with the BRLM, reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories. A check will be carried out for the same PAN. In cases where the PAN is same, such Bids will be treated as multiple applications.

For Bids from Mutual Funds and FII sub-accounts which are submitted under the same PAN, as well as Bids on behalf of the central or state government, an official or receiver appointed by a court and residents of Sikkim for whom submission of PAN is not mandatory, the Bids will be scrutinised for DP ID and beneficiary account numbers. In case these Bids have the same DP ID and beneficiary account numbers, these will be treated as multiple Bids and will be rejected.

#### **‘PAN’ or ‘GIR’ Number**

Except for Bids on behalf of the Central or State Government, exempted persons, residents in Sikkim and the officials appointed by the courts, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction.

Bidders residing in the State of Sikkim are exempted from the mandatory requirement of PAN. The exemption is subject to the Depository Participants verifying the veracity of the claim of the investors that they are residents of Sikkim, by collecting sufficient documentary evidence in support of their address.

**Any Bid cum Application Form / ASBA Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified have been labelled “suspended for credit” by the Depositories and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Bidders.

#### **Withdrawal of ASBA Bids**

**QIBs cannot withdraw their ASBA Bids after the applicable Issue Closing Date.**

ASBA Bidders can withdraw their Bids during the Bidding Period by submitting a request for the same to the concerned SCSBs / the concerned Syndicate members who shall do the requisite, including deletion of details of the withdrawn ASBA Form from the electronic bidding system of the Stock Exchanges. Further the SCSBs shall unblock the funds in the ASBA Account either directly or at the instruction of the member of the Syndicate which had forwarded to it the ASBA Bid Cum Application Form.

In case an ASBA Bidder (other than a QIB bidding through an ASBA Form) wishes to withdraw the Bid after the Bid Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file and give instruction to the SCSB for unblocking the ASBA Account after finalization of the Basis of Allocation.

#### ***Right to Reject Bids***

Our Company has a right to reject Bids based on technical grounds. In case of QIB Bidders Bidding in the QIB Portion, the Syndicate may reject Bids provided that such rejection shall be made at the time of acceptance of the Bid and the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail individual Bidders, our Company has the right to reject Bids based only on technical grounds and/or as specified in the Red Herring Prospectus. Consequent refunds shall be made through any of the modes described in the Red Herring Prospectus and will be sent to the Bidder’s address at the Bidder’s risk.

With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder’s bank account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Bidder’s bank account maintained with the SCSB.

Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds and/or as specified in the Red Herring Prospectus. Bids submitted by QIBs or Non Institutional Bidders who do not utilise the ASBA facility shall be rejected.

The Bidders may note that in case the DP ID, Beneficiary Account Number and PAN mentioned in the Bid cum Application Form and as entered into the electronic Bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs, as the case may be, do not match with the DP ID, Beneficiary Account Number and PAN available in the depository database, the Bid is liable to be rejected.

Bids by persons prohibited from buying, selling or dealing in securities directly or indirectly by SEBI or any other regulatory authority shall be rejected by the BRLM.

### **Grounds for Technical Rejections**

Bidders are advised to note that Bids are liable to be rejected on technical grounds including:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to ASBA Bids, the amounts mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of the Equity Shares Bid for;
2. Application on plain paper;
3. Applications by QIBs and Non Institutional Bidders which are not made through the ASBA facility;
4. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply. However a limited liability partnerships can apply in its name;
5. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, including minors;
6. Age of first bidder not mentioned;
7. PAN not stated in the Bid cum Application Form (except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts);
8. GIR number furnished instead of PAN
9. Bids for lower number of Equity Shares than specified for that category of investors;
10. Bids at a price less than the Floor Price;
11. Bids at a price over the Cap Price;
12. Bids at Cut off Price by Non-Institutional Bidders and QIB Bidders;
13. Submission of more than five ASBA Bid cum Application Forms per ASBA Account;
14. Bids for number of Equity Shares which are not in multiples of [●];
15. Category not ticked;
16. Multiple Bids as described in the Red Herring Prospectus;
17. In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted;
18. Bids accompanied by cash, stockinvest, money order or postal order;
19. Signature of sole and/or joint Bidders missing. In addition, with respect to ASBA Bids, the ASBA Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;



20. Bid cum Application Form does not have the stamp of the BRLM, the Syndicate Members or Designated Branches of the SCSBs (except for electronic ASBA Bids);
21. Bid cum Application Form does not have Bidder's depository account details or the details given are incomplete or incorrect;
22. Bid cum Application Forms / ASBA Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Form / ASBA Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms / ASBA Bid cum Application Forms;
23. In case no corresponding record is available with the Depositories that matches three parameters namely, PAN (in case of joint Bids, PAN of the first applicant), the DP ID and the beneficiary's account number;
24. Authorisation for blocking funds in ASBA not ticked or provided;
25. With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
26. Bids not uploaded in the electronic bidding system;
27. Bids for amounts greater than the maximum permissible amounts prescribed by applicable law;
28. Bids by OCBs;
29. Bids from within the United States or by U.S. persons (as defined in Regulation S);
30. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;
31. Bids by QIBs uploaded after 4.00 p.m. on the Issue Closing Date applicable to QIBs, Bids by Non-Institutional Bidders uploaded after 4.00 p.m. on the Issue Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Issue Closing Date.
32. Bank account details for the refund not given;
33. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
34. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and
35. Bids that do not comply with the securities laws of their respective jurisdictions;
36. In case of ASBA Bid cum Application Forms submitted to the members of the Syndicate, if the SCSB whose name has been included in the ASBA Bid cum Application Form does not have a branch at the relevant ASBA Bidding Locations, as displayed on the websites of SEBI, to accept the ASBA Bid cum Application Forms; and

### **Electronic Registration of Bids**

- (a) The members of the Syndicate and the SCSBs will register the Bids received, using the online facilities of the Stock Exchanges. There will be at least one online connectivity in each city, where the Stock Exchanges are located in India and where such Bids are being accepted. A SCSB shall not upload bids received through any ASBA in the electronic bidding system of the Stock Exchanges unless:
  - (i) it has received the ASBA Bid cum Application Form in a physical or electronic form; and
  - (ii) it has blocked the application money in the ASBA Account specified in the ASBA Bid cum Application Form or has systems to ensure that electronic ASBA Bid cum Application Form are accepted in the system only after blocking of application money in the relevant bank account opened with it. A member of the Syndicate/ sub-syndicate member shall not upload any Bid received through

ASBA in the electronic bidding system of the Stock Exchanges unless it has received the ASBA Bid cum Application Form in a physical or electronic form.

- (b) The Stock Exchanges will offer a screen-based facility for registering such Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents and the SCSBs during the Bid / Issue Period. The members of Syndicate and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids subject to the condition that it will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis.
- (c) On the Bid / Issue Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the Bids until such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis. In order to ensure that the data uploaded is accurate, the Syndicate may be permitted one Working Day after the Bid/Issue Closing Date to amend some of the data fields (currently DP ID, Client ID) entered by them in the electronic bidding system. Bidders are cautioned that a high inflow of Bids typically experienced on the last Working Day of the Bidding may lead to some Bids received on the last Working Day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be considered for allocation. Bids will only be accepted on Working Days, *i.e.*, Monday to Friday (excluding any public holiday).
- (d) The bidding terminals of the Stock Exchanges shall contain an online graphical display of demand and Bid prices updated at periodic intervals not exceeding 30 minutes. Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges a graphical representation of consolidated demand and price would be made available at the bidding centres and at the websites of each of the Stock Exchanges during the Bid/Issue Period along with category wise details.
- (e) At the time of registering each Bid, the members of the Syndicate or the Designated Branches of the SCSBs in case of ASBA Bids shall enter the following details of the Bidder in the electronic system:
  - Name of the Bidder
  - ASBA Bid cum Application Form number
  - Investor Category – Individual, Corporate, non-institutional, qualified institutional buyer, Eligible NRI, FII, or Mutual Fund, financial institutions, insurance companies, etc.
  - PAN (of first Bidder, if more than one Bidder)
  - Depository Participant Identity (“**DP ID**”)
  - Client ID
  - Beneficiary account number of the Bidder
  - Numbers of Equity Shares Bid for.
  - Price option.
  - Amount.
  - Cheque number and cheque amount, in case of Bidder other than ASBA Bidders.
  - Bank Account Details in case of ASBA Bidders

In case of submission of the Bid by an ASBA Bidder through the electronic mode, the ASBA Bidder shall complete the above-mentioned details, except the ASBA Bid cum Application Form number which shall be system generated.

- (f) Upon request, a system generated TRS, on demand, will be given to the Bidder as a proof of the registration of each of the Bidding options. **It is the Bidder’s responsibility to obtain the TRS from the members of the Syndicate or Designated Branches.** The registration of the Bid by the member of the Syndicate or the Designated Branches does not guarantee that the Equity Shares shall be allocated / Allotted by our Company.
- (g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (h) In case of QIB Bidders the BRLM has a right to accept the Bid or reject it. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids will not be rejected except on technical grounds. The SCSB may reject the Bids made through the ASBA process if the ASBA Account maintained with the SCSB as specified in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Furthermore, the SCSBs shall have no right to reject Bids except on technical grounds. Syndicate members may also reject Bids if all information required is not provided and

Bid cum Application Form / ASBA Bid cum Application Forms is incomplete in any respect. Subsequent to the acceptance of the Bid by the Designated Branch, the Company will have a right to reject the Bids only on technical grounds listed in the Red Herring Prospectus and the Prospectus.

- (i) The permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- (j) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Member of the Syndicate shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Bid data in the electronic Bidding systems of the Stock Exchanges. The members of the Syndicate shall be given one Working Day after the Bid / Issue Closing Date to verify the information uploaded on the online IPO system during the Bidding Period after which the Registrar to the Issue shall proceed with the Allotment of Equity Shares.
- (k) It is to be noted that Syndicate Members or the SCSB, as the case may be, shall be responsible for any error in the Bid details uploaded by them. In case of apparent data entry error by either Syndicate Member or collecting bank in entering the application number in their respective schedules other things remaining unchanged, the Bid may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s). In the event of mistake in capturing the application number by either the Syndicate Member or collecting bank leading to rejection of Bid, the Registrar may identify based on the Bid form, the entity responsible for the error. Valid records in electronic file will be those for which money is received.

The BRLM, the Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commission in relation to Bids accepted by SCSBs or Syndicate members, Bids uploaded by SCSBs or Syndicate members, Bids accepted but not uploaded by SCSBs or Syndicate members, or Bids accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Bids uploaded by SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

#### **Build up of the book and revision of Bids**

- (a) The Bidding process shall be only through an electronically linked transparent bidding facility provided by the Stock Exchanges. Bids received from various Bidders through the members of the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.
- (b) The book gets built up at various price levels. At the end of each day of the Bidding Period, the demand shall be shown graphically on the bidding terminals of the Syndicate and the websites of the Stock Exchanges. This information will be available with the BRLM at the end of the Bidding Period.
- (c) During the Bid / Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form or ASBA Revision Form, which is a part of the Bid cum Application Form / ASBA Bid cum Application Form. Retail Individual Bidders may revise their Bids within the Price Band at any time until finalization of the Basis of Allotment.
- (d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form or ASBA Revision Form, as the case may be. Apart from mentioning the revised options in the Revision Form / ASBA Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form / ASBA Bid cum Application Forms or earlier Revision Form / ASBA Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form / ASBA Bid cum Application Forms and such Bidder is changing only one of the options in the Revision Form / ASBA Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form / ASBA Revision Form. The members of the Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms/ ASBA Revision Form.

- (e) The Bidder can make this revision any number of times during the Bid / Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the Designated Branch of the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form / ASBA Revision Form and the revised Bid must be made only in such Revision Form / ASBA Revision Form or copies thereof.
- (f) Any upward revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. Retail Individual Bidders Bidding in such categories should note that the revised amount should not exceed ₹ 2 lacs. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus. With respect to ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid amount or the relevant Syndicate/ sub-syndicate member shall instruct the SCSB to block any incremental amount, on account of the upward revision of the Bid in case of Bids submitted through ASBA to the Syndicate/ sub-syndicate members. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the ASBA Bids, if revision of the Bids results in an incremental amount, the SCSBs shall block the additional Payment Amount. In case of Bids other than ASBA Bids, the members of the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the basis of Allotment. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.
- (g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and will, on demand, receive a revised TRS from the members of the Syndicate or Designated Branches, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.
- (h) In the case of ASBA Bids, after the Bid/Issue Closing Date, the SCSBs shall provide to the Registrar to the Issue aggregate information relating to the total number of ASBA Bid cum Application Forms uploaded and the total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Forms. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs.

### **Price Discovery and Allocation**

- (a) After the Bid / Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process with the Bids received under the non-ASBA process to determine the demand generated at different price levels. Thereafter, the BRLM shall analyze the demand generated at various price levels and discuss pricing strategy with the Company. Based on the demand generated at various price levels, our Company in consultation with the BRLM shall finalize the Issue Price.
- (b) In case of over-subscription in all categories, not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIBs in proportion to their Bids. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, will be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLM and the Designated Stock Exchange
- (c) Under-subscription, if any, in any category may be met with spill over from any other category or combination of categories at the sole discretion of our Company in consultation with the BRLM. However, if the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than 1,12,500 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event the aggregate demand in the QIB Portion has been met, under subscription, if any, would be allowed to be met with spill-over from any other

category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

- (d) Allocation to Non-Residents, including Eligible NRIs, FIIs and foreign venture capital funds registered with SEBI, applying on repatriation basis will be subject to applicable law.
- (e) Our Company reserves the right to cancel or withdraw the Issue at any time after the Bid/Issue Opening Date but before the Board meeting for Allotment. If our Company withdraws from the Issue, it shall issue a public notice that shall include reasons for such withdrawal within two days of the closure of the Issue. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid / Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, it shall file a fresh draft red herring prospectus with the SEBI.
- (f) If an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bidding Period, the ASBA Bidder shall submit the withdrawal request to a Syndicate member the SCSB, through whom the applicant had placed the original bid, which shall perform the necessary actions, including deletion of details of the withdrawn ASBA Bid cum Application Form from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account.
- (g) If an ASBA Bidder, excluding QIB Bidder wants to withdraw the ASBA Bid cum Application Form after the Bid / Issue Closing Date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB once the basis of Allotment has been approved by the Designated Stock Exchange.
- (h) QIB Bidders shall not be allowed to withdraw their Bid after the QIB Bid / Issue Closing Date.
- (i) Allotment status details shall be available on the website of the Registrar to the Issue.

#### **Signing of Underwriting Agreement and RoC Filing**

- (a) Our Company, the BRLM and the Syndicate Members intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, our Company will update and file the updated Red Herring Prospectus with the RoC in terms of Section 56, 60 and 60B of the Companies Act, and other provisions of applicable laws which then would be termed the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

#### **Filing of the Red Herring Prospectus and the Prospectus with the RoC**

Our Company will file a copy of the Red Herring Prospectus and the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

#### **Pre-Issue Advertisement**

Subject to Section 66 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated. In the pre-Issue advertisement, we shall state the Issue Opening Date, the Issue Closing Date and the Issue Closing Date applicable to QIBs.

#### **Advertisement regarding Issue Price and Prospectus**

Our Company will issue a statutory advertisement in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Hindi) daily newspaper of wide circulation, where the Registered Office of our Company is situated, after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be

included in such statutory advertisement.

### **Issuance of Allotment Advice**

- (a) On approval of the basis of Allotment by the Designated Stock Exchange and on Allotment by the Board of Directors or any committee constituted thereof, the Registrar to the Issue shall send to the members of the Syndicate and SCSBs a list of their Bidders who have been Allotted Equity Shares in the Issue. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or before the approval of the basis of allocation for the Retail Individual Bidders and Non-Institutional Bidders. However, investors should note that our Company shall ensure that the instructions by our Company for demat credit of the Equity Shares to all investors in the Issue shall be given on the same date as the date of Allotment.
- (b) The Registrar to the Issue will then dispatch an Allotment Advice / CAN to the Bidders who have been Allotted Equity Shares in this Issue. The dispatch of Allotment Advice / CAN shall be a valid, binding and irrevocable contract for the Bidders.

### **Unblocking of ASBA Account**

Once the basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose within the timelines specified in the ASBA facility: (i) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in (ii) above shall be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn and/or unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and shall unblock the excess amount, if any, in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of notification from the Registrar to the Issue by the Controlling Branch of the SCSB in relation to the approval of the basis of Allotment in the Issue by the Designated Stock Exchange in the event of withdrawal or failure of the Issue or rejection of the ASBA Bid, as the case may be.

### **Designated Date and Allotment of Equity Shares**

- Our Company will ensure that (i) Allotment of Equity Shares; (ii) credit to successful Bidder's depository account will be completed within 12 Working Days of the Bid/Issue Closing Date.
- In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the successful bidders. Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

**Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue.**

### **Basis of Allotment**

#### **A. For Retail Individual Bidders**

- Bids received from Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. Allotment to all successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 15,75,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than 15,75,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method

of proportionate basis of Allotment, see below.

## **B. For Non-Institutional Bidders**

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 6,75,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- If the aggregate demand in this category is greater than 6,75,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate basis of Allotment see below.

## **C. For QIBs in the QIB Portion**

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. Allotment to all successful QIB Bidders will be made at the Issue Price. The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
  - (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion shall be determined as follows:
    - (i) In the event Mutual Fund Bids exceed 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.
    - (ii) In the event the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
    - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
  - (b) In the second instance Allotment to all QIBs shall be determined as follows:
    - (i) In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
    - (ii) Mutual Funds, which have received allocation as per (a) above for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
    - (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

The BRLM, the Registrar to the Issue and the Designated Stock Exchange shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the SEBI ICDR Regulations. The drawing of lots (where required) to finalise the Basis of Allotment shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

**Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA Bidders will be that applicable to non-ASBA Retail Individual Bidders, Non-Institutional Bidders and QIB Bidders, as applicable. ASBA Bidders who are Retail Individual Bidders (including HUFs) and who have Bid for Equity Shares for an amount less than or equal to ₹ 2 lacs in any of the Bidding options in the Issue, will be categorized as Retail Individual Bidders. ASBA Bidders that are not Retail Individual Bidders and who have Bid for Equity Shares for an**

**amount over ₹ 2 lacs will be categorized as Non-Institutional Bidders or QIBs, as the case may be. No preference shall be given to ASBA Bidders vis-à-vis non-ASBA Bidders and vice versa.**

### **Method of Proportionate Basis of Allotment in the Issue**

In the event of the Issue being over-subscribed, our Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The executive director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorised according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:
  - i) The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is as far as possible, equal to the number of Equity Shares calculated in accordance with (b) above; and
  - ii) Each successful Bidder shall be allotted a minimum of [●] Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

### **Equity Shares in Dematerialised Form with NSDL or CDSL**

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●], between NSDL, our Company and the Registrar to the Issue;
- Agreement dated [●], between CDSL, our Company and the Registrar to the Issue.

Bidders will be Allotted Equity Shares in dematerialised mode only. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- (a) A Bidder applying for Equity Shares must have at least one valid beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.



- (b) The Bidder must necessarily fill in the details (including the PAN, Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form / ASBA Bid cum Application Forms or Revision Form.
- (c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- (d) Names in the Bid cum Application Form / ASBA Bid cum Application Forms or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form / ASBA Bid cum Application Forms or Revision Form, it is liable to be rejected.
- (f) With effect from August 16, 2010, the demat accounts of Bidders for whom PAN details have not been verified shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
- (g) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form / ASBA Bid cum Application Forms vis-à-vis those with his or her Depository Participant.
- (h) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- (i) Trading in the Equity Shares would be in dematerialised form only, on the demat segment of the respective Stock Exchanges.
- (j) Non-transferable Allotment Advice or refund orders will be directly sent to the Bidders by the Registrar to the Issue.

### Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form / ASBA Bid cum Application Form number, PAN, Bidders depository account details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Collection Centre of the SCSBs where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the bank account number in which an amount equivalent to the Bid Amount was blocked.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted with the members of the Syndicate / Designated Branches, Bidders can contact the relevant Designated Branch of the SCSBs. The SCSB or the Syndicate/ Sub-syndicate Member, as applicable, shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB or the Syndicate/ sub-syndicate member, as applicable, including its Designated Branches and the branches where the ASBA Accounts are held. Our Company, the BRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.**

### Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, 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.”*

## **Payment of Refund**

Within twelve Working Days of the Issue Closing Date, the Registrar to the Issue will dispatch the refund orders for all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also any excess amount paid on Bidding, after adjusting for allocation/ Allotment to Bidders. Bidders other than ASBA Bidders must note that on the basis of the Bidders PAN, DP ID, Client ID and beneficiary account number provided by them in the Bid cum Application Form / ASBA Bid cum Application Forms, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the MICR code. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In the case of Bids from Eligible NRIs and FIIs, refunds, dividends and other distributions, if any, will normally be payable in Indian Rupees only and net of bank charges and/or commission. Where so desired, 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. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

## **Mode of Refunds**

### ***For Bidders other than ASBA Bidders***

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through any of the following modes:

1. **NECS** – Payment of refund would be done through NECS for Bidders 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** – Bidders having bank accounts with the Refund Bank, as per the Demographic Details received from the Depositories shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank for the same would be borne by our Company.
3. **NEFT** (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the Bidders' bank branch is NEFT enabled and has been assigned the IFSC, which can be linked to an MICR code of that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with an MICR code. Wherever the Bidders have registered their 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 Bidders 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 and the past experience of the Registrars to the Issue. In the event NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in this section.
4. For all other Bidders, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to ₹ 1,500 and through ordinary post for refund orders exceeding ₹ 1,500. Such refunds will be made by cheques, pay orders or demand

drafts drawn on the Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

### ***Refunds for ASBA Bidders***

In case of ASBA Bidders, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within twelve Working Days of the Bid/Issue Closing Date.

### **Interest on refund of excess Bid Amount**

Our Company shall pay interest at the rate of 15% p.a. on the excess Bid Amount received if refunds are not made within a period of seven days after the Basis of Allotment or fifteen days from the Bid / Issue Closing Date, whichever is earlier.

### **Disposal of Applications and Application Moneys and Interest in Case of Delay**

With respect to Bidders other than ASBA Bidders, our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within twelve Working Days of the Bid / Issue Closing Date. Our Company shall dispatch refunds above ₹ 1,500, if any, by registered post or speed post at the sale or First Bidder's sale risk, except for refunds through the NECs facility or Direct Credit.

In case of Bidders who receive refunds through NECS, NEFT or direct credit, the refund instructions will be given to the clearing system within twelve Working Days from the Bid / Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within twelve Working Days of the Bid / Issue Closing Date, giving the details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall use its best efforts to ensure that all steps for completion of the necessary formalities for listing is completed and trading commences within twelve Working Days of the Bid / Issue Closing Date at all the Stock Exchanges where the Equity Shares are proposed to be listed.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI ICDR Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, within twelve Working Days of the Bid / Issue Closing Date;
- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within twelve Working Days from the Bid / Issue Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the ASBA Bidder's bank account shall be made within twelve Working Days from the Bid / Issue Closing Date; and
- Our Company shall pay interest at 15% per annum for any delay beyond the time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within eight days from the day the Company becomes liable to repay. If such money is not repaid within seven days from the day the Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days or after fifteen days from the Bid / Issue Closing Date whichever is earlier, be jointly and severally liable to repay the money with interest as prescribed under sub-section (2) and (2A) of section 73 of the Companies Act.

**Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.**

Save and except for refunds effected through the electronic mode, i.e., NECS, NEFT or direct credit, refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as a Refund Banker which shall be payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

#### **Letters of Allotment or Refund Orders or instructions to the SCSBs**

Our Company shall ensure dispatch of refund orders, if any, of value up to ₹ 1,500, under certificate of posting, and shall dispatch refund orders above ₹ 1,500, if any, by registered or speed post at the sole or first Bidder's sole risk within twelve Working Days from the Bid / Issue Closing Date. Applicants residing at any of the centers where clearing houses are managed by the RBI will get refunds through NECS only (subject to availability of all information for crediting the refund through NECS) except where the applicant is otherwise disclosed as eligible to receive refunds through Direct Credit, NEFT. In the case of other applicants, our Company shall ensure the dispatch of refund orders, if any, of value less than ₹ 1,500 by ordinary post, and shall dispatch refund orders, if any, of ₹ 1,500 and above by registered post or speed post at the sole or First Bidder's sole risk within twelve Working Days of the Bid / Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within twelve Working Days from Bid / Issue Closing Date.

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within twelve Working Days of the Bid / Issue Closing Date, which shall be duly completed after the receipt of such instruction from the Registrar.

#### **Interest in case of delay in dispatch of Allotment Letters or Refund Orders/instruction to SCSB by the Registrar to the Issue**

Allotment of Equity Shares in the Issue, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, shall be made not later than twelve Working Days of the Bid / Issue Closing Date. Our Company further agrees that it shall pay interest at the rate of 15% per annum if the allotment letters or refund orders have not been dispatched to the Bidders or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within eight days from the day our Company becomes liable to repay. If such money is not repaid within eight days from the day our Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under sub-section (2) and (2A) of section 73 of the Companies Act.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

#### **Undertakings by our Company**

Our Company undertakes the following:

- That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily. Our Company has authorized the Company Secretary and Compliance Officer to redress all complaints, if any, of the investors participating in the Issue;
- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within twelve Working Days of the Bid/Issue Closing Date;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within twelve Working Days from the Bid/Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the refund orders or Allotment Advise / CAN to Eligible NRIs shall be dispatched within

specified time;

- That no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and
- That adequate arrangements shall be made to collect all ASBA and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

#### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid / Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers within two days, in which the pre-Issue advertisements were published, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such notification. Our Company shall also promptly inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

In the event our Company, in consultation with the BRLM, withdraws the Issue after the Bid / Issue Closing Date, a fresh offer document will be filed with SEBI in the event we subsequently decide to proceed with the initial public offering.

#### **Utilisation of Issue Proceeds**

The Board of Directors certifies that:

- All monies received in the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed until the time any part of the Issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised; and
- Details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Our Company shall not have recourse to the proceeds of the Issue until the final listing and trading approvals from all the Stock Exchanges have been obtained.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated primarily by the FEMA and the policy prescribed by the Department of Industrial Policy and Promotion, GoI through circular 1 of 2011 with effect from April 1, 2011 (“**FDI Policy**”). While the FDI Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the FDI 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.

FIIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or 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, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by 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, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

*The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.*

## SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### Main Provisions of the Articles of Association of our Company

The Authorised capital of our Company is ₹ 13,00,00,000 divided into 1,30,00,000 Equity Shares of ₹ 10 each.

#### CAPITAL

- |    |  |   |
|----|--|---|
| 3. | <p><b>A.</b> The authorised share capital of the Company shall be the Capital as specified in Clause V of the Memorandum of Association, with power to increase or reduce the share capital of the Company and to divide the shares in the capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any of such rights, privileges or conditions in such manner as may for the time being be provided in the Articles of Association.</p> <p><b>B.</b> Subject to the right of the holders of any shares entitled by the terms of issue of preferential repayment over the equity shares in the event of winding up of the Company, holders of the equity shares shall be entitled to be repaid the amount of Capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of Equity Shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.</p> <p><b>C.</b> The preference shares shall confer on the holder thereof the right to a cumulative preferential dividend for each year at a rate as may be fixed by the Board of Directors at the time of issue thereof or revising rate of interest on the existing preference shares in conformity with the rate prescribed by law from time to time subject to deduction of tax at sources at the prescribed rates, on the capital paid up or credited as paid up thereon, and in the event of winding up the right to redemption of capital and arrears of dividend accrued up to the date of the commencement of the winding up whether declared or undeclared shall rank in priority to equity shares in the capital of the Company for the time being, but the said preference shares shall not entitle the holder thereof to any further or other participation in the profits or assets of the Company.</p> | <p><b>Authorised Capital</b></p>                        |
| 4. | <p>Subject to the applicable provision of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modifications or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be necessary, the Company may issue shares with non-voting rights upon such terms and conditions and with such rights and privileges (including with regard to dividend) as may be permitted by law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles of Association, to the extent they are concerning or relating to voting rights of shares shall not be applicable to the aforesaid non-voting shares, if any, issued by the Company.</p>  | <p><b>Non Voting Shares</b></p>                         |
| 5. | <p>The Company in General Meeting may from time to time by Ordinary Resolution increase the capital by the creation of new shares, the increases to be of such aggregate amount and to be divided into Shares of such respective amounts as the Resolution shall prescribe, subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or a qualified right to dividends, and in the distribution of the assets of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.</p>   | <p><b>Increase in Capital</b></p>                       |
| 6. | <p>Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p>  | <p><b>New Capital same as existing capital</b></p>      |
| 7. | <p>Subject to the provisions of Sections 80 and 80A of the Act, the Company shall have the power to issue Preference Shares, which are at the option of the Company liable to the redeemed, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.</p>  | <p><b>Redeemable preference Shares</b></p>              |
| 8. | <p>The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.</p>   | <p><b>Voting rights of preference shares</b></p>        |
| 9. | <p>On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof the following provisions shall take effect:</p>   | <p><b>Provision to apply on issue of redeemable</b></p> |

**preference  
shares**

- a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
  - b) no such shares shall be redeemed unless they are fully paid;
  - c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
  - d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account was paid-up share capital of the Company.
- 10.** The Company may from time to time by Special Resolution, subject to the provisions of Section 78, 80, 100 to 104 inclusive of the Act, reduce its Share Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular without prejudice to the generality of the forgoing power may:
- a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;
  - b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid up share capital which is lost or is unrepresented by available assets; or
  - c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company;
- and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.
- 11. A.** The Company in general meeting may subject to the provisions of Section 94 of the Act by Ordinary Resolution alter the conditions of its Memorandum as follows, that is to say, it may:
- a) Consolidate and divide any of its Share Capital into Shares of larger amounts than its existing shares;
  - b) Sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid-up and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that as between the holders of the shares resulting from such sub -division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage or otherwise over the others or any other such share.
  - c) Convert all or any of its fully paid-up shares in to stock and reconvert that stock into fully paid-up shares of any denomination.
  - d) Cancel shares which, on the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled;
- B.** The cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital.
- 12. A.** Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each calls may subject to the provisions of Sections 106 and 107 of the Act be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at separate general meeting of the holders of shares of that class. The provision of these Articles relating to General Meetings shall mutatis mutandis apply to every such separate meeting. This Article shall not derogate from any power which the Company would have if this Article were omitted.

**Reduction of  
Capital****Sub-division,  
consolidation  
and  
cancellation of  
shares****Modification  
of rights**



- B.** Subject to and in accordance with the applicable provisions of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modification or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be required, the Company shall have power to acquire, purchase, sell, dispose off, provide finance for the purchase of any of its own fully/ partly paid shares whether or no they are redeemable and to make the payment out of Capital Reserves or otherwise in respect of such acquisition, purchase, financing.
- 13.** Subject to the provisions of Section 100 to 105 (inclusive) of the Act, the board may accept from any member on such terms and conditions as shall be agreed a surrender of all or any of his shares. **Board may accept surrender of shares**

#### SHARES AND CERTIFICATES

- 14.** The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in material and dematerialized forms in any medias may be permitted by law including in any form of electronic media. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members resident in the State or country. **Register and Index of Members**
- 15.**
- a)** The rights or privileges conferred upon the holders of the shares of any class issued with preferred or other rights, shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or modified affected by the creation or issue of further shares ranking *pari passu* therewith. **Issue of further shares not to affect rights of existing shareholders**
  - b)** The Board shall observe the restriction as to allotment of shares to the public contained in Sections 69 and 70 of the Act and shall cause to be made the return as to allotment provided for in Section 75 of the Act.
- 16.** The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned no shares shall be sub-divided, provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are in dematerialized form. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. **Shares to be numbered progressively and no share to be sub-divided**
- 17.**
- A. Further issue of shares**
    - 1.** Where at the 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 near as the circumstances admit, to the capital paid up on those shares at the date.
      - b)** Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days from the date of offer and 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 them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. Provided that the Director may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
      - d)** After expiry of the time specified in the aforesaid notice 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 and to such person(s) as they may think, most beneficial to the Company.

2. Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (Whether or not those persons include the persons referred to in clause (a) sub-clause (1) thereof 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 special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting of 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 authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
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 (whether such option is conferred in these Articles or otherwise).

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.
- B.** Shares at the disposal of the directors:

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.

**C Limitation of time for Issue of certificates**

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  
Two months from the date of allotment, unless the conditions of Issue thereof  
otherwise  
provide, or within one month 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.

**D. Issue of New Certificate in Place of One Defaced, Lost or Destroyed:**

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.

**E Directors May Refuse To Register Transfer:**

Subject to the provisions of Section 111A 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 or any account whatsoever except when the company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused.

**F Instrument Of Transfer:**

The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

**G No Fee on Transfer or Transmission:**

No fee shall be charged for registration of transfer, transmission, probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

**H Payment In Anticipation Of Call May Carry Interest:**

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.

**I Company's Lien On Shares / Debentures:**

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.

**J. Term Of Issue Of Debenture:**

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.

- K. Unpaid Or Unclaimed Dividend:**  
Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days open a special account in that behalf in any scheduled bank called “Unpaid Dividend of **TIMES ACADEMY LIMITED**” and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the 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 general revenue account of the Central Government. A claim to any money so transferred to the **Investor’s Education & Protection Fund Account** may be referred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board, before the claim becomes barred by law.

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|-----|---|--|
| 18. | <p>Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose off 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 compliance with the provisions 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 General Meeting to give any person, the option to call for any shares either at par or at a premium during such time and for such consideration the Directors think fit, and may allot and issue shares in the capital of the Company in payment or part for any property sold and transferred or for any services rendered to the Company in the conduct of its Business; and any shares which may be so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares.</p> <p>a) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by the Articles of the Company.</p> <p>b) Each share in the Company shall be distinguished by its appropriate number.</p> <p>c) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, prima facie, evidence of the title of the member of such shares.</p> | <p><b>Shares under Control of Directors</b></p>                        |
| 19. | <p>If and whenever, as a result of issue of new or further shares or any consolidation or sub-division of shares, any shares held by members in fractions, the Directors shall, subject to the provisions of the Act, and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in the proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p>  | <p><b>Sale of Fractional Shares</b></p>                                |
| 20. | <p>In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 17, 18 and 19 the Company in general meeting may, subject to the provisions of Section 81 of the Act determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether a Member or not), in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, as the general meeting shall determine and</p>  | <p><b>Power also to Company in General Meeting to issue shares</b></p> |

with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

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|-----|---|---|
| 21. | Subject to these Articles and the provisions of the Act, the Board may issue and allot share in the Capital of the Company as payment, or in consideration, or as part payment, or in part consideration of the purchase or acquisition of any property or for services, rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid-up or partly paid-up shares.   | <b>Issue of Shares for consideration other than Cash</b>        |
| 22. | Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purposes of these Articles, be a Member.   | <b>Acceptance of shares</b>                                     |
| 23. | The money (if any) which the Board shall, on the allotment of any share being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.  | <b>Deposit &amp; Call etc. to be a debt payable immediately</b> |
| 24. | Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may for the time being, remain unpaid thereon, in such amounts at such time or times in such manner as the Board shall from time to time in accordance with the Company's regulations, require or fix for the payment thereof.  | <b>Liability of members</b>                                     |
| 25. | <p>a) Every Member of allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the board and on surrender to the company of the letter of allotment or the fractional coupons of requisite value, save in case of issue against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary, or some other person appointed by the Board for the purpose and the two Directors or their attorney and the Secretary or other person shall sign the share certificate provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. For any further certificate the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupee One, Provided that the Company shall not be bound to register more than four persons as joint holders of any share except in the face of executors or trustees or a deceased member and in respect of a share held jointly by several persons the Company shall not be bound to issue more than one certificate. The Company shall comply with provisions of Section 113 of the Act.</p> <p>Provided however, that no share certificate (s) shall be issued in respect of the shares held in Depository.</p> <p>b) The issue of Certificates of Shares or of duplicate or renewal of Certificates of Shares shall be governed by the provisions of Section 84 and other applicable provisions of the Act and by the rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act, the Directors shall also comply with the provisions of such rules or regulations of any stock exchange where the shares of the company may be listed for the time being and also the requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.</p> <p>c) Every Certificate of Shares shall specify the date of issue, the numbers and distinctive numbers of the shares in respect of which it is issued and the</p> | <b>Share Certificate</b>  |

amount paid-up thereon and shall be in such form as the Directors shall prescribe or approve.

- d) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.
- e) The Company shall complete and have ready for delivery, the share certificates within the time provided by Section 113 of the Act, unless the conditions of issue thereof otherwise provide.
- f) If any Certificate be worn out, torn, defaced or otherwise mutilated or rendered useless, or if there be no further space on the back thereof for endorsement of transfers, then, upon production thereof to the Directors, they may order the same to be cancelled, and may issue a new Certificate in lieu thereof, without charging any fee in respect thereof. If any Certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the partly entitled to such lost or destroyed Certificate on payment of such fee as may be decided by the Board of Directors from time to time on that behalf. Out of pocket expenses incurred by the Company in investigation the evidence as to the loss or destruction shall be paid to the Company if demanded.
- g) Where any shares under the power in that behalf in those Articles herein contained are sold by the Directors and the Certificate thereof has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.

Provided that not withstanding what is stated above in (bb) and (bc) the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

- h) The Company shall not be bound to register more than four persons as the joint holder of any shares, except in the case of executors or trustees of a deceased member in respect of a share held jointly by several persons, the Company shall not be bound to issue more than one Certificate and the delivery of a Certificate for a share to any one of several joint holders shall be sufficient delivery to all such holders.
- i) The Company may issue such fractional coupons as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional coupons are to be converted into Share Certificates.
- j) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

26. The Company may issue such fractional certificates as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional certificates are to be converted into share certificates.

#### **Fractional Certificates**

27. a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where pages on the reverse for recording transfer have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.

#### **Renewal of share certificates**

- b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No.----- sub-divided / replaced / on consolidation of shares.
- c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any,

as to evidence and indemnity as to the payment of out-of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

- d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that is a Duplicate issued in lieu of share certificate No. ----- The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- e) Where a new certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- f) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- g) The Managing Directors of the Company for the time being, or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of the machine, equipment and/or other material referred to in Article 25 (h) and of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f).
- h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.
- i) Notwithstanding anything contained in Article 25, the Board may in its absolute discretion refuse application for sub-division or consolidation of Share Certificates or Debenture Certificates into denominations of less than the marketable lot except when such sub-division or consolidation is required to be made to comply with as statutory provision or an order of a competent Court of law.

28.	<p>A. The provisions of the Articles under this chapter to the extent applicable, shall mutates mutandis apply to Debentures of the Company.</p> <p>B. The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and/or to issue its fresh shares, debentures and other securities, in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.</p>	<p><b>Provisions also applicable to Debentures</b></p> <p><b>Dematerialisation and Rematerialisation of Securities</b></p>
29.	<p>A. If any shares stands in the name of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company's regulations.</p> <p>B. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share/debenture.</p>	<p><b>The first name of joint holders deemed sole holders</b></p> <p><b>Receipt of one joint holder is sufficient</b></p>
30.	<p>Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of Depository, 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 recognise any benami trust or equity or equitable, contingent, future or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice</p>	<p><b>Company not bound to recognise an interest in shares other than that of registered holder</b></p>



thereof.

No notice of any trust, express, implied or constructive shall be entered in the Register of Members or of Debenture holders.

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| 31. | <p>a) Notwithstanding anything herein contained a person whose name is at any time entered in the register of members of the Company as a holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, if so required by the Act, within such time and in such forms as may be prescribed make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 187 C of the Act.</p> <p>b) A person who holds a beneficial interest in a share a class of shares of the Company shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187 C of the Act.</p> <p>c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187 C of the Act.</p> <p>d) Notwithstanding anything contained in Section 153 of the Act and Article 30 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p> | <p><b>Declaration by person not holding beneficial interest in any shares</b></p>                |
| 32. | <p>Except as provided in these Articles, none of the funds of the Company shall be applied in the purchase of, or land on the security of shares of the Company and the Company shall not, except as permitted by Section 77 of the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.</p> <p>Nothing in this Article shall affect the right of the Company to redeem any shares issued under Section 80 of the Act.</p>  | <p><b>Funds of Company may not be applied in purchase of the shares of company</b></p>           |
| 33. | <p>Subject to and in accordance with the applicable provisions of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modifications or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be required, the Company shall have power to acquire, purchase, sell, dispose off, provide finance for the purchase of any of its own fully/partly paid shares whether or not they are redeemable and to make the payment out of Capital Reserves or otherwise in respect of such acquisition, purchase, financing.</p>   | <p><b>Dealing in its own shares</b></p>  |
| 34. | <p style="text-align: center;"><b>DEMATERIALISATION OF SECURITIES</b></p> <p>a) For the purpose of this Article :-</p> <p>‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository ;</p> <p>‘SEBI’ means the Securities &amp; Exchange Board of India ;</p> <p>‘Depository’ means a company formed and registered under the Companies Act, 1956 , and which has been granted a certificate of registration to act as a depository under the Securities &amp; Exchange Board of India Act, 1992 ; and</p> <p>‘Security’ means such security as may be specified by SEBI from time to time.</p> <p>b) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a Company in a dematerialised form pursuant to the Depositories Act, 1996.</p> <p>c) Every person subscribing to securities offered by the Company shall have</p>   | <p><b>Definitions</b></p> <p><b>Dematerialisation of Securities</b></p> <p><b>Option for</b></p> |

	<p><b>the option to receive security certificate 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 the 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.</b></p> <p>If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.</p>	<b>Investors</b>
	<p><b>d) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</b></p>	<b>Securities to be in Fungible Form</b>
	<p><b>e) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.</b></p> <p>(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 securities held by it.</p> <p><b>(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.</b></p>	<b>Rights of the Depositories and the Beneficial Owners</b>
	<p><b>f) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.</b></p>	<b>Service of Documents</b>
	<p><b>g) Nothing contained in section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</b></p>	<b>Transfer of Securities</b>
	<p><b>h) Notwithstanding anything in the Act or these Articles, where securities dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</b></p>	<b>Allotment of Securities dealt with a Depository</b>
	<p><b>i) 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.</b></p>	<b>Distinctive No. of Securities held with a Depository</b>
	<p><b>j) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles."</b></p>	<b>Register and Index of Beneficial Owners</b>
35.	<p>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.</p>	<b>Issue of Shares without Voting Rights</b>
36.	<p>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, Provisions of Section 77 and SEBI (Buy Back of Shares ) Regulations, as may be permitted by law.</p>	<b>Buy-Back of Shares and Securities</b>
37.	<p>The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of</p>	<b>Employees Stock Options Scheme/Plan</b>

the Company (hereinafter in this Article collectively referred to as “the Employees”) as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

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| 38. | Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.   | <b>Sweat Equity</b>  |
| 39. | <b>The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Companies Act, 1956("the Act") and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.</b> | <b>Postal Ballot</b> |

#### UNDERWRITING AND BROKERAGE

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| 40. | <p><b>A.</b> The company may pay a commission to any person in consideration of:</p> <ul style="list-style-type: none"> <li><b>i)</b> His subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in Sub-Section(4A) of Section 76 of the Act, or</li> <li><b>ii)</b> His procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in, or debentures of the Company, if the following conditions are fulfilled, viz: <ul style="list-style-type: none"> <li><b>(a)</b> The commission paid or agreed to be paid does not exceed in the case of shares, five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price at which the debentures are issued;</li> <li><b>(b)</b> The amount or rate percent of the commission paid or agreed to be paid, on shares or debentures offered to the public for subscriptions, shall be disclosed in the prospectus, and in the case of shares and debentures not offered to the public for subscription, disclosed in the statement in lieu of prospectus and filed, before the payment of the commission, with the Registrar, and where a circular or notice, not being a prospectus inviting subscription for the shares or debentures is issued, and disclosed in that circular or notice;</li> <li><b>(c)</b> The number of shares or debentures which persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid, and</li> <li><b>(d)</b> A copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the statement in lieu of the prospectus for registration.</li> </ul> </li> </ul> <p><b>B.</b> Save as aforesaid and save as provided in Section 79 of the Act, the Company shall not allot any of its Shares or Debentures or apply any of its moneys, either directly or indirectly in payment of any commission, discount or allowance, to any person in consideration of:</p> <ul style="list-style-type: none"> <li><b>(i)</b> his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company; or</li> <li><b>(ii)</b> his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for the shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid out</li> </ul> | <b>Underwriting<br/>Commission and<br/>Brokerage</b> |
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of the nominal purchase money or contract price, or otherwise.

- C. Nothing in this Article shall affect the power of the Company to pay such brokerage as it has heretofore been lawful for the Company to pay.
- D. A vendor to promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission the payment of which, if made directly by the Company would have been legal under Section 76 of the Act.
- E. The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash, or in share, debentures or debenture-stocks of the Company.

41. The company may also on issue of Shares, pay reasonable brokerage as it may lawful.

### INTEREST OUT OF CAPITAL

42. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provisions of plant.
- Interest may be paid out of capital**

### CALLS

43. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting to the condition of allotment by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and such Member shall pay the amount of every call so made on him to the person or persons and at the time and places appointed by the Board. A call may be made payable by installments.
- Directors may make calls**
44. Twenty-one days Notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons by whom such call shall be paid.
- Notice of Calls**
45. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at the meeting of the Board.
- Calls to date from resolution**
46. A call may be revoked or postponed at the discretion of the Board.
- Call may be revoked or postponed**
47. The joint-holders of any share shall be jointly and severally liable in respect of all calls or installments and other payment, which ought to be made in respect of such shares.
- Liability of joint holders**
48. The Board may from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favor.
- Directors may extend time**
49. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 18 percent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member and the Directors may waive payment by any one or more Members of any such interest wholly or in part.
- Calls to carry interest**
50. Any sum, which by the terms of issue of a share becomes payable on allotment or at any time fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms
- Sums deemed to be calls**

of issue the same becomes payable, and in case of non-payment of such sum all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of call duly made and notified.

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| 51.         | On the trial or hearing of any action or suit brought by the Company against any Member or his representative/s for the recovery of money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member/s in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money sought to be recovered appears entered on the Register of Members as the holder at or subsequently to the date at which the money is sought to be recovered that the resolution making the call is duly recorded in the Minute Book and that notice of such calls was duly given to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.  | <b>Proof on trial of suit for money due on shares</b>   |
| 52.         | Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any payment or satisfaction thereof nor the receipt by the Company of a portion of any which shall from time to time be due from any member in respect of any shares either by way of principal of interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.  | <b>Partial payment not to preclude forfeiture</b>   |
| 53.         | <p>a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amount of his shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest at such rate (not exceeding without the sanction of the Company in General Meeting up to fourteen per cent per annum) as the member paying the sum in advance and the Board agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months notice in writing provided that moneys paid in advance of calls shall not confer the right to dividend/s or to participate in profits.</p> <p>b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payments become presently payable.</p> <p>c) Advance payment made against future calls shall not be constructed deposits within the meaning of Companies (Acceptance of deposits) Rules, 1975.</p> <p>d) Payment made in advance against calls shall be credited in the member's account and it shall carry interest at the rate, which may be prescribed by the Board from the date of payment up to the date of calls, or call, which may be made by the Board from time to time.</p> | <b>Payment in anticipation of calls may carry interest</b>  |
| 54.         | <p>A. Any calls for future share capital are made on shares such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amount have been paid up shall not be deemed to fall under the same class.</p> <p>B. If by the condition of allotment for any shares the whole or part of the amount of issue price thereof shall be payable by installments every such installment shall, when due be paid to the company by the person who, for the time being and from time to time shall be registered holder of the share or his legal representative.</p> <p>C. The provisions of the Articles under this Chapter, to the extent applicable, shall mutates mutandis apply to Debentures of the company.</p>   | <p><b>Calls on shares of same class to be made on uniform basis</b></p> <p><b>Installment on shares to be duly paid</b></p> <p><b>Provisions to apply to Debentures also.</b></p> |
| <b>LIEN</b> |  |   |
| 55.         | The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each Member (whether   | <b>Company to have lien on shares</b>   |

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, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 30 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Provided that the Board Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

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| 56. | The company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as order by a Court of Competent Jurisdiction or by statute required) be bound to recognize equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The company's lien shall prevail notwithstanding that it has received notice of any such claims.   | <b>Outsider's claim not to affect company's lien</b> |
| 57. | For the purpose of enforcing such lien the Board may sell the shares subject hereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such Member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice. | <b>As to enforcing lien by sale.</b>                 |
| 58. | <p>(a) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchase thereof.</p> <p>(b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.</p>   | <b>Transfer of share sold under lien</b>             |
| 59. | The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like for sums not presently payable as existed upon the shares before the sale) be paid to person entitled to the shares at the date of the sale.  | <b>Application of proceeds of sales</b>              |

#### FORFEITURE AND SURRENDER OF SHARE

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| 60. | If any Member fails to pay the whole or any part of any call or installments or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or installment or any part thereof or the other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, send a notice on such Member or on the person (if any) entitled to the share by transmission, requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. | <b>If money payable on shares not paid notice to be given to member</b> |
| 61. | The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such calls or installments and such interest thereon at such rate not exceeding 18 percent per annum as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the calls was made or installment is payable, will be liable to be forfeited.  | <b>Form of Notice</b>   |
| 62. | If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of 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 ordinary resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any  | <b>In default of payment shares to be forfeited</b>                     |

other moneys payable in respect of the forfeited shares and not actually paid before the date of forfeiture which shall be the date on which the ordinary resolution of the Directors is passed forfeiting the shares.

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| 63. | When any share shall have been so forfeited notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.  | <b>Notice of Forfeiture to Member</b>                                     |
| 64. | Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit and at any time before a sale or disposal as aforesaid the board may cancel the forfeiture on such terms as it thinks fit.  | <b>Forfeited share to be property of the company and may be sold etc.</b> |
| 65. | Upon forfeiture of shares, the member shall forthwith forfeit the shares to the Company.  | <b>Surrender of forfeited shares</b>                                      |
| 66. | Any member whose shares have been forfeited shall cease to be a member in respect of those shares but shall notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum or as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.   | <b>Liability on forfeiture</b>  |
| 67. | The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.   | <b>Effect of forfeiture</b>   |
| 68. | A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date state in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.  | <b>Evidence of forfeiture</b>   |
| 69. | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers therein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the Purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. | <b>Validity of Sale under these Articles</b>                              |
| 70. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto distinguishing it on them in such manner as they think fit from the certificates not so delivered.   | <b>Cancellation of share certificate in respect of forfeited shares</b>   |
| 71. | The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.   | <b>Power to annul forfeiture</b>  |
| 72. | The Directors may subject to the provisions of the Act, accept a surrender of any share or by any member desirous of surrendering on such terms as the Directors may think fit.   | <b>Surrender of shares</b>  |
| 73. | The provisions of the Articles under this chapter to the extent applicable, shall mutates mutandis apply to debentures of the Company.  | <b>Provisions to apply to debentures also</b>                             |

## TRANSFER AND TRANSMISSION OF SHARES

74.	The Company shall keep a book to be called "Register of Transfer", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.	<b>Register of Transfer</b>
75.	In the case of transfer of shares/debentures held by joint holders, the transfer will be effective only if it is made by all the joint holders.	<b>Transfer by Joint Holders</b>
76.	The Instrument of Transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of the transfer, the certificate or certificates of the shares must be delivered to the Company.	<b>Transfer form to be completed and Presented to the Company</b>
77.	The Board shall have power on giving not less than 'seven days' previous notice by advertisement in some newspaper circulation in the district in which the Office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in a year.	<b>Transfer Books and Register of Members when closed</b>
78.	<p>i) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the company gives notice of the application to the transferee and subject to the provisions of Clause (d) of this Article, the company shall unless objection is made by the of Members the name of the transferee in the same manner and subject to same conditions as if the application for registration was made by the transferee.</p> <p>ii) For the purpose of Clause (i) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.</p> <p>iii) It shall be not be lawful for the company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee has been delivered to the company along with the Certificate relating to the Shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the company may, if the Directors think fit, on an application in writing made by the transferee and bearing he stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.</p> <p>iv) Nothing in Clause 80 (iii) above shall prejudice any power of the company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.</p> <p>v) Nothing in this Article shall prejudice any power of the company to refuse to register the transfer of any share.</p>	<b>Transfer of shares</b>
79.	The instrument of transfer shall after registration be retained by the company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the company after such period as they may determine.	<b>Custody of instrument of transfer</b>
80.	Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provision of Section 110 of the Act.	<b>Notice of application when to be given</b>



81.	Subject to Article 30 hereof in the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any shares, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liabilities on shares held by him jointly with any other person.	<b>Death of one or more Joint holders of shares</b>
82.	The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 83 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.	<b>Title to Shares of Deceased Member</b>
83.	A holder or joint holders of shares in or debentures of the company may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 (including any amendment thereto or any re-enactment thereof) and in the manner prescribed there under, any person to whom all the rights in the shares in or debentures of the Company shall vest in the event of death of such holder (s). Any nomination so made shall be dealt with by the company in accordance Act,1956 or any statutory modification or re-enactment thereof for the time being in force.	<b>Nomination</b>
84.	Only fully paid-up shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian under no circumstances shares or debentures be transferred to any insolvent or a person of unsound mind.	<b>No Transfer to Minor etc.</b>
85.	<p>a) Subject to the provisions of the Act and Articles 79 to 85 and 88 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which is shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the share. This Article is hereafter called "The Transmission Article".</p> <p>b) A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he has been a member at the time of the execution of the instrument of transfer.</p>	<b>Registration of Persons entitled to shares otherwise than by transfer, "The Transmission Article".</b>
86.	The Board shall have the same right to refusal register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register on transmission</b>
87.	A person entitled to a share by transmission shall, subject to the right of the Directors, retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the shares.	<b>Person entitled may receive dividend without being registered as member</b>
88.	The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the company	<b>Claimant to be entitled to same advantage</b>

provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer the shares and if the notice is not complied within sixty days, the Board may thereafter withhold payment of all dividends, interests, bonus or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

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| 89. | The company may charge such fees (as may be decided by the Directors from time to time and for any period of time) in respect of transfer or transmission of the shares, subject to the stipulations, rules, regulations of stock exchange or the statute concerned in this regard.  | <b>Fee on transfer or transmission</b>  |
| 90. | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, thought it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. | <b>Company not liable for disregard of a notice, prohibiting registration of a transfer</b> |
| 91. | Every transmission of a share shall be verified in such manner as the Directors may require, and the company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the company with regard to such registration which the Directors at their discretion   | <b>Directors may require evidence of transmission</b>                                       |
| 92. | In the case of transfer or transmission of shares or other marketable securities where the company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.  | <b>Transfer of shares in Dematerialised form</b>  |
| 93. | The provisions of these Articles shall mutates mutandis apply to the transfer or transmission by operation of law of debentures and / or detachable warrants of the Company.   | <b>Transfer or transmission of debentures and/or detachable warrants</b>                    |

#### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

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| 94. | Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act as in force for the time being, shall be sent/furnished to every Member at his request within seven days of the request on payment of prescribed fees. | <b>Copies of Memorandum and Articles to be sent by the Company</b> |
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#### **BORROWING POWER**

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| 95. | Subject to the provisions of Section 58A, 292 and 293 of the Act and of the Companies (Acceptance of Deposits) Rules, 1975 and of these Articles or any statutory modification thereof for the time being in force the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the company. Provided the payment of any sum or sums of money for the purpose of the Company. Provided however where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans to be obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its, free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No Debt incurred by the Company in excess of the limit imposed by these Articles shall be valid or effectual unless the lender proves that he advances the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded. | <b>Powers to borrow</b> |
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| 96.  | Subject to the provisions of Article 98 hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit., and in particular by a resolution passed at a Meeting of the Board by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debentures-stock and other securities may be made assignable free from any equities between the Company and person to whom the same may be issued.   | <b>Payment or repayment of moneys borrowed</b>                       |
| 97.  | Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.  | <b>Bonds, Debentures, etc. to be subject to control of Directors</b> |
| 98.  | Subject to the provisions of any law, any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on the 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 and attending (but not voting) at General Meeting, appointment of Directors and otherwise. Where the terms of issue of Debentures or loans includes as option to the holder to convert such debentures or loans into shares of the Company or to subscribe for shares in the Company shall comply with the provisions to Section 81 (3) of the Act.   | <b>Terms of issue of Debentures</b>                                  |
| 99.  | Any debenture or debenture-stock issued by the Company shall be subject to the provisions of Sections 117 to 123 (both inclusive) and other applicable provisions of the Act or of any statutory modification hereof for the time being.  | <b>Section 117 to 123 to apply</b>                                   |
| 100. | The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charged specifically affecting the property of the Company and shall cause the requirements of Section 118, 125 and 127 to 144 of the Act in that behalf to be duly complied with, (within the time prescribed by the said section or such extension thereof as may be permitted by the Company Law Board or the Court or the Registrar of Companies as the case may be) so far as they feel to be complied with by the Board.  | <b>Register of mortgage etc. to be kept</b>                          |
| 101. | If any uncalled up capital of the Company is included in or charged by any mortgage or other security, the Directors shall, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled up capital in trust for the person in whose favor such mortgage or security is executed or if permitted by the Act, may by instrument under the seal authorize the person in whose favor such mortgage or security is executed or any other person in trust for him to make calls on the Members in respect of such uncalled up capital and the provisions hereinbefore contained in regard to calls shall mutants mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either to the exclusion or the Director's power or otherwise and shall be assignable if expressed so to be.  | <b>Mortgage of un called up capital</b>                              |
| 102. | The Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon, and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the company or upon any of its property or assets or otherwise. If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from the company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability. | <b>Indemnity may be given</b>  |
| 103. | The Company shall, if at any time, issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 and 157 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture-holders resident in that State or Country.  | <b>Register and Index of Debentures holders</b>                      |

## SHARE WARRANTS

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| 104. | <p>The Company may issue share warrants subject to and in accordance with the provision of Section 114 and 115 and accordingly, the Board may in its discretion, with respect to any share which is fully paid up on application in writing signed by the persons registered as holder of the share and authenticated by such evidence (if any) as the Board, may from time to time require as to the identity of the person signing the application and on receiving the certificate (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.</p>  | <p><b>Power to issue<br/>Share warrants</b></p>                                       |
| 105. | <p>a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company and so long as the warrant remains so deposited, the Depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposit warrant.</p> <p>b) Not more than one person shall be recognised as depositor of the share warrant.</p> <p>c) The Company shall on two days written notice return the deposited share warrant to the depositor.</p> | <p><b>Deposit of share<br/>warrants</b></p>   |
| 106. | <p>a) Subject as herein otherwise expressly provided, no person shall as bearer of a share warrant sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.</p> <p>b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant and he shall be a Member of the Company.</p>  | <p><b>Privileges and<br/>disabilities of the<br/>holders of share<br/>warrant</b></p> |
| 107. | <p>The Board may, from time to time make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>  | <p><b>Power to make<br/>rules</b></p>   |

## CONVERSION OF SHARES INTO STOCK AND RECONVERSION

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| 108. | <p>The Company may by ordinary resolution of the Company in General Meeting;</p> <p>a) Convert any paid up shares into stock; and</p> <p>b) Reconvert any stock into paid-up shares of any denomination.</p>  |  |
| 109. | <p>The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which, the shares from which the stock arose before the conversion have been transferred or as near thereof as circumstances admit provided that, the board may, from time to time, fix the minimum amount of stock transferable, so that such minimum shall not exceed normal amount of the shares from which the stock arose.</p>   | <p><b>Transfer of Stock</b></p>                              |
| 110. | <p>The holders of stock, shall according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> | <p><b>Rights of stock<br/>holders</b></p>                    |
| 111. | <p>Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in these Articles shall include "Stock" and "stockholder" respectively.</p>  | <p><b>Provision for<br/>shares to apply to<br/>stock</b></p> |

## MEETING OF MEMBERS

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| 112. | <p>The Statutory Meeting of the Company, shall as required by Section 165 of</p> | <p><b>The Statutory</b></p> |
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	the Act, be held at such time not being less than one month and not more than six months from the date at which the Company shall be entitled to commence business and at such place as the Board may determine, and the Board shall comply with the requirements of that Section, as to the report to be submitted and otherwise.	<b>Meeting</b>
<b>113.</b>	The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting and the Statutory Meeting shall be called Extraordinary General Meetings. The First Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting, which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be kept on the table the Director's Report and Audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts) the Proxy Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 159, 161 and 220 of the Act.	<b>Annual General Meeting</b>
<b>114.</b>	<p>a) Section 171 to 175 and Sections 177 to 186 of the Act with such adaptations and modifications, if any, as may be prescribed shall apply with respect to meetings of any class of members or of debenture holders or any class of debenture holders of the company in like manner as they apply with respect to General Meeting of the company.</p> <p>b) Section 176 of the Act with such adaptations and modifications if any, as may be prescribed shall apply with respect to meetings of any class of members or of debenture holders of the company in like manner as it applies with respect to General Meeting.</p>	<b>Section 171 to 186 of the Act shall apply to Meeting</b>
<b>115.</b>	<p>a) In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to:</p> <p>i) The consideration of the Accounts, Balance Sheet and Profit and Loss account and Report of the Board of Directors and of the Auditors;</p> <p>ii) the declaration of dividend;</p> <p>iii) the appointment of Directors in the place of those retiring;</p> <p>iv) the appointment of and fixing of the remuneration of the Auditors.</p> <p>b) In the case of any other meeting all business shall be deemed special.</p> <p>c) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>d) Where any item of business to be transacted at the meeting or the Company consists of according to the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the explanatory statement referred to in sub-clause (c) of this Article.</p>	<b>Special Business</b>
<b>116.</b>	Notice of every meeting shall be given to every Member of the Company in any manner authorized by sub-sections (1) to (4) of Section 53 of the Act and by these Articles. It shall be given to the persons entitled to a share in consequence of the death or insolvency of a Member, by sending it through	<b>Service of Notice</b>

	the post in a prepaid letter addressed to them by name, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred, provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Registered Office of the Company under sub-section (3) of the Section 53 of the Act, explanatory statement need not be annexed to the notice as required by Section 173 of the Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company	
117.	Every notice of a meeting of the company shall specify the place, day and hour of the meeting and shall contain a statement of the business to be transacted there at.	<b>Contents of Notice</b>
118.	Where by any provision contained in this Act or in these Articles, special notice is required of any resolution, notice in respect of the same shall be given as provided in Section 190 of the Act.	<b>Resolutions requiring Special Notice</b>
119.	No business shall be transacted at any adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting.	<b>Business at Adjourned Meetings</b>
120.	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting.	<b>Notice to be given where a Meeting is adjourned for 30 days or more</b>
121.	<p>A. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as that date carries the right of voting in regard to the matter in respect of which the requisition has been made.</p> <p>B. If at any time they are not present in India, Directors capable of acting who are sufficient in number to form a quorum, any Director of the Company may call an Extraordinary General Meeting of the Company, in the same manner, nearly a possible, as that in which such a meeting can be called by the Board.</p>	<b>Extraordinary General Meeting</b>
122.	Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called and must be signed by the requisitionists and be deposited at the Office, provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.	<b>Requisition of Members to state object of Meeting</b>
123.	Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within twenty-one days from the date of the requisitions being deposited at the Office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall not be held after three months from the date of the delivery of the requisition as aforesaid.	<b>Calling of Meeting on Requisition</b>
124.	Where two or more distinct matters are specified in the requisition the provisions of Clause 126 above, shall apply separately in regard to each such matters; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.	<b>Required number of Requisitionists to be counted separately in regard to each matter</b>
125.	The Directors shall on the requisition of members representing not less than one-twentieth of the voting rights of members having a right to vote at any Annual General Meeting or being not less than one hundred members holding shares on which there has been paid up an aggregate sum of not less than one lakh of rupees in all, give notice to the members of any resolution which can properly be moved and intended to be moved at the meeting and circulate any	<b>Circulation of Member's Resolution</b>

	statement supplied by the requisitionists in accordance with the requirements of Section 188 of the Act with which the company shall also comply.	
126.	Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.	<b>Meeting called by Requisitionists</b>
127.	Where two or more persons hold any shares or interest in the company jointly, a requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of these Articles, have the same force and effect as if it had been signed by all of them.	<b>Requisition by Joint holders</b>
128.	Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the company; and any sum so repaid shall be retained by the company out of any sums due or to become due from the company by way of fees or other remuneration for their services to such of the Directors as were in default.	<b>Reimbursement of expenses of calling Extraordinary General Meeting</b>
129.	At least Twenty-one days notice of every General Meeting, Annual or Extraordinary General Meeting, and by whomsoever called specifying the day, place and hour of meeting and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote thereat and in case of any other meetings, with the consent of Members holding not less than 95 percent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than the ordinary business is to be transacted and in the case of any other meeting in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager (if any) where any such item of business relates to, or affect any other Company the extent of shareholding interest in that other Company of every Director and the Manager, if any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than twenty percent of the paid-up share capital of that other Company, where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.	<b>Twenty-one days notice of meeting to be given</b>
130.	The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate any resolution passed at or the proceedings of any such meeting.	<b>Omission to give notice not to invalidate a resolution passed</b>
131.	No General Meeting, Annual or Extraordinary General Meeting, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice</b>
132.	The provisions of Section 191 of the Act shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any early date.	<b>Resolution passed at Adjourned Meeting</b>
133.	The Directors may in their absolute discretion on giving not less than seven clear days notice in accordance with these Articles, postpone or cancel any meeting of members, except a meeting called pursuant to a member's requisition.	<b>Postponement or cancellation of meeting</b>
134.	Five Members present in person shall be the quorum for a General Meeting.	<b>Quorum at General Meeting</b>
135.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance of the provisions of Section 187 of the Act authorize such person by a resolution of its Board of Directors as it thinks fit, to act as its representative attending meeting of the Company or of any class of	<b>Body corporate deemed to be personally present</b>

members of the Company or at any meeting of creditor of the Company.

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| 136. | If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum not be present, the meeting, if convened by or upon the requisition of Members, shall stand dissolved. But in any other case, the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday, until the next succeeding day which is not a public holiday at the same time and place or to such other day as such other time and place in the city or town in which the Office of the company is for the time being situated, as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.   | <b>If quorum not present meeting to be dissolved or adjourned</b> |
| 137  | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the Members present shall elect one of their member to be Chairman, on a show of hands. If a poll is demanded in the election of the Chairman, it shall be taken forthwith, the Chairman elected on a show of hands exercising all the powers of the Chairman under the provisions of the Act. If some other person is elected Chairman as a result of the poll, he shall be chairman for the rest of the meeting.   | <b>Chairman of General Meeting</b>                                |
| 138. | No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.   | <b>Business whilst chair vacant</b>                               |
| 139. | The Chairman, with the consent of the Members, may adjourn any meeting 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. A poll demanded on a question of adjournment shall be taken forthwith. When a meeting is adjourned for a period of 30 days or more, seven clear days notice of the adjourned meeting shall be given specifying the place and the time of the meeting as in the case of an original meeting, but it shall not be necessary for such a notice to contain a statement of the business to be transacted or to annex thereto any statement of material facts. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted threat.  | <b>Chairman with consent may adjourn meeting</b>                  |
| 140. | At any General Meeting a resolution including a special resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the voting on any resolution on a show of hands a poll is ordered to be taken by the chairman of the meeting of his own motion or on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the company which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid-up. Unless a poll be so demanded, and ordered to be taken a declaration by the Chairman that a resolution has on a show of hands, been carried or carried unanimously, or by a particular majority or lost, and an entry to that effect in the Minute Book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. | <b>Questions at General Meeting how decided</b>                   |
| 141. | In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting second vote in addition to the vote or votes to which he may be entitled to as a member.   | <b>Chairman's casting vote</b>                                    |
| 142. | <p>a) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf in the manner mentioned in Section 179 of the Act.</p> <p>b) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p> <p>c) A poll demand on a question of adjournment and on the question relation to the election of the Chairman which is provided in Section 175 of the Act,</p>   | <b>Poll to be taken if demanded</b>                               |



shall be taken forthwith.

- d) A poll demanded on a question shall be taken at such time not being later than 48 (Forty-eight) hours from the time when the demand was made, as the Chairman may direct.
- e) Subject to the provisions of the Act, the Chairman of the Meeting shall have powers to regulate the manner in which a poll shall be taken.
- f) The result of the poll shall be deemed to be decision of the meeting on the resolution on which poll was taken.

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| 143. | Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes cast at the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause. | <b>Scrutineers at Poll</b>                                     |
| 144. | Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.   | <b>In what case poll taken without adjournment</b>             |
| 145. | The demand for a poll, except on the question of the election of the Chairman and of an adjournment, shall not prevent the continuance of meeting for the transaction of any business other than the question on which the poll has been demanded.   | <b>Demand for poll not to prevent, continuance of business</b> |

#### VOTES OF MEMBERS

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| 146. | No Member shall be entitled in respect of any shares registered in his name to be present or to exercise any voting right on any question at any General Meeting or be reckoned in a quorum whilst any call or other sum presently payable to the Company in respect of such shares, shall remain unpaid or in regard to which the Company has exercised any right of lien; and no member shall be entitled to be present or to vote in respect of any shares that he has acquired by transfer at any meeting unless his name has been entered as the registered holder of such share in respect of which he claims to vote.   | <b>Restrictions on Voting</b>                                      |
| 147. | Any shareholder whose name is entered in the Register of Members of the company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.  | <b>Equal Rights of Shareholders</b>                                |
| 148. | Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every Member present in person or by proxy shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however if any preference Shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. | <b>Number of votes to which a member is entitled</b>               |
| 149. | On a poll taken at a meeting of the Company a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.   | <b>Casting of votes by a Member entitled to more than one vote</b> |
| 150. | A member of unsound mind or in respect of whom an Order has been made by any Court, having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on poll vote by proxy. If any Member be a minor the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.   | <b>How Members non-composment may vote</b>                         |
| 151. | If there be joint registered holders of any shares, any one of such persons may vote at any meeting either personally or may appoint another person (whether   | <b>Votes of joint members</b>                                      |

a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting that one of the said person so present whose name stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose names shares stand for the purpose of these Articles be deemed as joint holders thereof.

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| 152. | Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holders all holders) shall not appoint more than one person as proxy.   | <b>Voting in person or by proxy</b>                                     |
| 153. | Any person entitled under the Transmission Article (Article 87) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of the holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Director of his right to transfer of such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. For the purpose of the Article, the Directors shall have same powers either to recognise or to refuse to recognise such right to transfer, as they have to reject or accept, a transfer or transmission of shares under these Articles. | <b>Votes in respect of shares of deceased and insolvent Member</b>      |
| 154. | Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, duly authorized in writing, or if such appointer is a body corporate under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.  | <b>Appointment of proxy</b>   |
| 155. | An instrument of may appoint a proxy either for purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meetings.   | <b>Proxy either for specified meeting or for a period</b>               |
| 156. | No Member present only by proxy shall be entitled to vote on a show of hands, unless such Member is a body corporate present by a proxy who is not himself a Member, in which case such proxy shall have a vote on the show of hands as if he were a member.   | <b>No Proxy except for a body corporate to vote on a show of hands</b>  |
| 157. | A Member present by proxy shall be entitled to vote only on a poll.  | <b>Proxy to vote only on a poll</b>                                     |
| 158. | The Instrument appointing a proxy and the power of attorney or other authority (if any) under which it signed or a notarially certified copy of that power or authority, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of twelve months from the date of its execution.  | <b>Deposit of Instrument of appointment of proxy</b>                    |
| 159. | Every instrument appointing a proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in Schedule IX of the Act, and shall be retained by the Company.   | <b>Form of proxy</b>  |
| 160. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.  | <b>Validity of votes given by proxy notwithstanding death of member</b> |
| 161. | a) No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote not disallowed at such meeting or poll shall be deemed valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.  | <b>Time for objections of votes and inspection of proxies</b>           |

- b) Every Member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled, during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days notice in writing of the intention so to inspect is given to the Company.

162. The Chairman present at the taking of poll shall be the sole judge of the validity of every vote tendered at such poll.

**Chairman of the meeting to be the judge of validity of any vote**

163. A declaration by the Chairman in pursuance of Section 177 of the Act that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favor of or against such resolution.

**Chairman's Declaration of results of voting to show of hand to be conclusive**

#### MINUTES OF MEETINGS

164. a) The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act.

**Minutes of General Meeting and inspection thereof by members**

- b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.

- c) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.

- d) The Minutes of each Meeting shall contain a fair and correct summary of the proceeding thereat.

- e) All appointments of Officers made at any aforesaid meeting shall be included in the Minutes of the Meeting.

- f) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (a) is or could reasonably be regarded as, defamatory of a person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

- g) Any such Minutes shall be evidence of the proceedings recorded therein.

- h) The book containing the Minutes of the proceedings of any General Meeting of the Company shall:

- i) be kept at the Registered Office of the Company, and
- ii) be open, during the business hours to the inspection of any members without charge, subject, to such reasonable restrictions as the Company may, in General Meeting impose so however that not less than two hours in each day are allowed for inspection.

- iii) Any Member shall be entitled to be furnished within seven days after he has made a request in that behalf to the company, with a copy of any minutes referred to in Clause (h) above, on payment of such fees as prescribed under Section 196 of the Act.

165. a) Where minutes of the proceedings of any General Meeting of the company have been kept in accordance with the provisions of Section 193 of the Act, then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and

**Presumptions to be drawn where minutes duly drawn and**

in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein. **signed**

- b) On document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

## DIRECTORS

**166.** Until otherwise determined in a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors of the Company (excluding Alternate Directors) shall not be less than three or more than twelve. **Number of Directors**

**167.** The Present Directors of the Company are : **Directors**

1. Mr. Rahul Beri
2. Ms. Regi George
3. Ms. Meera Sharad Korde
4. Mr. Yashpal Saini
5. Mr. Deepak Mhatre

**168.** **RETIREMENT OF DIRECTORS BY ROTATION**  
Subject to the Article No.169 to 174, not less than two-thirds of the total number of Directors shall (i) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (ii) save as otherwise expressly provided in the Article, be appointed by the Company in General Meeting. **Rotation of Directors**

a) be persons whose period of office is liable to determination by retirement of Directors by rotation and

b) save as otherwise expressly provided in the Act; be appointed by the Company in General Meeting.

**169.** One third of the total number of Directors shall be non-retiring and the Managing Director of the company shall not be liable to retire by rotation. **Appointment of non-retiring Directors**

**170.** a) In Connection with any collaboration agreement with any Company or Corporation or firm or person for supply of Technical know-how and/or machinery or technical advice, the Directors may authorize such company, corporation firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as 'Special Director') and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the Collaboration arrangements or at any time thereafter. **Appointment of Special Director**

b) The Collaborator may at any time and from time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time, appoint any other person as a special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or an partner of the firm or such person and shall be delivered to the Company at its registered office.

c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Directors as the Collaborators eligible to make the appointment.

**171.** a) In the event, the Company enters into any such collaboration, including the collaboration of technology; technical know-how; financial participation; buy-back of part/full production; license for manufacturing/producing/processing; license and/or rights to use patterns; and/or trade marks; or any such allied, similar or other arrangement /s and or agreement /s including the arrangements and or agreements falling under the meaning and definition of joint venture and / or 100% export oriented unit with any foreign-company / **Special Rights of Foreign Company or Collaborator/s**

corporation/entity and if such an arrangement and / or agreement with the foreign Company /collaborator provides the rights to the foreign company / collaborator to have their one person as a director of this company, the Board of this Company shall accordingly be bound by some and the nominated person of the foreign-company / collaborator shall be appointed as one on the directors of this company whose appointment will be subject to retirement on rotation as required under the Act and Articles 198; and such director, if nominated by the foreign company / collaborator for re-appointment, shall be re-appointed under the provisions of Articles 203 and subject to these Articles and further subject to approval of the Reserve Bank of India and / or Government of India as may required, under the Indian laws from time to time in case of any foreigner.

- b) The foreign-company / collaborator under this Article subject to approval by the Reserve Bank of India and further subject to Income Tax and other applicable Indian laws for the time being, if entitled for repatriation of dividends, profits, technical fees, commissions and other charges (that may become due and payable to the foreign company / collaborator by virtue of the aforesaid agreement and / or any amendment thereto and / or any supplementary agreement thereto) in foreign currency from time to time then the Board will grant sanction and approval by passing suitable resolutions by complying with all formalities, if any from time to time.
- c) As the Board may prescribe The foreign-company /collaborator under this Article (subject to approval by the Reserve Bank of India and other laws for the time being) if provided in their agreement will be entitled to acquire and own maximum share of the total equity and / or paid-up capital of the company from time to time and the Board will accordingly reserve this portion of the capital of the Company for the foreign company/collaborator and allot such and suitable number of shares in favor of the foreign-company/collaborator as per the terms of their agreement with the Company/ and / or any amendment thereof and/ or any supplementary agreements thereto from time to time.

172.

A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

**Votes of Body  
Corporate**

173.

Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the company to the Industrial Development Bank Of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), The Industrial Reconstruction Bank of India (IRBI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), and its subsidiaries viz., National Insurance Corporation of India (NIC), The New India Assurance Company INIA), The Oriental Insurance Company (OIC), United Insurance Company (UII), Unit Trust of India (UTI), Gujarat Industrial Investment Corporation Limited (GIIC), any one or more commercial Bank (Banks) or to any other Finance Corporation or Credit Corporation or any other Finance Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, IRBI, LIC, GIC, NIC, OIC, UTI,GIIC, Banks or any other Finance Corporation of credit Corporation or any other Finance Company or Body (each of which IDBI, IFCI, ICICI, IRBI, LIC, GIC, NIC,NIA, OIC, UTI, UII, GIIC, Banks or any other Finance Corporation or Credit Corporation or any other Finance Company or Body is hereinafter in this Article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the company as a result of underwriting or so long as any liability of the company arising out of any guarantee furnished by the Corporation on behalf of the company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time, (which Director or Directors are hereinafter referred to as Nominee

**Power to appoint  
ex-officio  
Directors**

Director/s) on the Board of the Company and to remove such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Directors/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors/s shall be entitled to the same privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the company as a result of direct subscription or private placement or so long as the Corporation holds shares in the company as a result of underwriting or the liability of the company arising out of any Guarantee furnished by the Corporation on behalf of the Company is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso fact vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/ shares acquired in the manner referred hereinabove in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.

The Nominee Director / s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and Meetings of the Committee, of which the Nominee Director /s is/are member/s and shall also be entitled to receive the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission moneys and remuneration in relation to such Nominee Directors/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Directors/s in connection with their appointment or Directorship shall also be paid or reimbursed by the company too the Corporation or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is/are Officer/s of the Corporation, the sitting fees in relation to such Nominee Directors/s shall accrue to the 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 whole- time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised by or available to the whole time Director/s, in the management of the Company. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

174.

Any Trust Deed for securing debentures or debenture stock, if so arranged provide for appointment from time to time by the Trustees thereof or by the holders of the Debentures or Debenture stock of some person to be Director of the Company and may empower such Trustees or Debenture holders or Debenture Stock from time to time to remove any Director so appointed. A Director appointed, under this Article is herein referred to as a "Debenture Director" and that the term "Debenture Director" means a Director for the time being in office under the Article. A Debenture Director shall not be bound to hold any qualification shares and not be liable to retire by rotation or be removed by the Company. The Trust deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

**Debenture  
Director**

175.

The Board may, in accordance with and subject to the provision of Section 313 of the Act, appoint an Alternate Director during the letter's absence for a period of not less than three months from the state in which the meeting of the Board is ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the original

**Appointment of  
Alternate  
Director**

	director in whose place he has been appointed and shall vacate office if and when the original director returns to that State. If the term of office of the original Director is determined before so returns to that State, any provisions in the Act or in these Articles for the automatic reappointment of a retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.	
176.	Subject to the provisions of Section 260, 261 and 264 of the Act and further subject to Articles 174, the Board shall have power at any time and from time to time to appoint any person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 169. Any such Additional Director shall hold office only up to the date of next Annual General Meeting.	<b>Additional Director</b>
177.	<p>A. The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>B. Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p>	<b>Appointment of Technical or Executive Directors</b>
178.	A Director shall not require acquiring or having any share qualification.	<b>Share Qualification of Directors</b>
179.	<p>a) The remuneration to each director shall be at such rate for each meeting of the Board or Committee of the Board attended by him as may as may be prescribed by the Central Government from time to time under the Proviso to Section 310 of the Companies Act, 1956, for each such meeting including adjourned meeting attended by him. If any Director being willing shall be called upon to perform extra services or to make any special exertions for any of the purpose of Company or is giving special attention to the business of the Company as a member of the Committee of Directors then subject to Section 198, 309 and 310 of the Act, the Company may remunerate the Directors so performing the extra services or making special exertions or giving special attention or being a member of a committee of Directors, either by a fixed sum or by commission of like emoluments or by a percentage of profits or otherwise and such remuneration may be either in addition to or substitution for any other remuneration to which he may be entitled.</p> <p>b) Subject to the provision of the Act, a Director who is neither in the whole-time employment of the Company nor a Managing Director, may be paid remuneration either:-  (i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or  (ii) by way of commission if the company by a Special Resolution authorities such payment.</p> <p>c) Subject to the provisions of the Act, a Managing Director or director in the Whole Time employment of the Company may be paid remuneration either by way of monthly or at a specified percentage of the net profit of the Company or partly by one way or partly by the other. The Board of Directors reserves the rights to execute and sign the specific agreement / arrangements with the Managing Director or the Managing Directors as the case may be as well as with the Whole Time Director or Whole Time Directors specifying the details or remunerations and other terms etc. as per the act and these Articles of Association and such agreement will be signed by two Directors to be authorized by the Board for such purpose for time to time.</p>	<b>Remuneration of Directors</b>
180.	If any director be called upon to perform extra services or make special exertions or efforts (which expression shall include work done by a director as a member of any committee of the Board), the Board may arrange with such Director for special remuneration for such service or exertions or efforts either	<b>Special Remuneration of Directors performing extra</b>

	by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.	<b>services</b>
<b>181.</b>	The Board may allow an pay to any director (including the foreigner Director), who is not a bona fide of the place where the meeting of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting; such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director by called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.	<b>Travelling expenses incurred by director not a bona fide resident</b>
<b>182.</b>	The continuing Director may act notwithstanding any vacancy in their body if and so long as their number is reduced below the minimum, the continuing Director not being less than two may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.	<b>Directors may act notwithstanding any vacancy</b>
<b>183.</b>	A person shall not be capable of being appointed as a Director if he has the disqualifications referred to in Section 274 of the Act, as may be amended from time to time.	<b>Eligibility</b>
<b>184.</b>	<p>Subject to Sections 283(2) and 314 of the Act the office of a Director shall become vacant if:-</p> <ol style="list-style-type: none"> <li>he is found to be of unsound mind by the Court of competent jurisdiction ; or</li> <li>he applies to be adjudicated an insolvent; or</li> <li>he is adjudged an insolvent ; or</li> <li>he fails to pay any call made on him in respect of shares of the company held by him, whether alone or jointly with other, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or</li> <li>he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or</li> <li>He contravenes the provisions of Section 314 of the Act; or</li> <li>he becomes disqualified by an order of the court under section 203 of the Act; or</li> <li>he is removed in pursuance of section 284; or</li> <li>he (whether by himself or by any person for his benefit or on his account) or any firm in which is a partner or any private company of which he is a Director, accepts a loan, or ay guarantee of security for a loan, from the company in contravention of section 295 of the Act; or</li> <li>he acts in contravention of section 299 of the Act; or</li> <li>he is convicted by a court for an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or</li> <li>having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or</li> <li>he resigns his office by a notice in writing addressed to the company.</li> </ol>	<b>When office of Director to become vacant</b>
<b>185.</b>	<p>Notwithstanding anything contained in sub-clause (c), (g) and (k) of Clause 187 above, the disqualification referred to in these Sub-Clauses shall not take effect:</p> <ol style="list-style-type: none"> <li>for thirty days from the date of the adjudication, sentence or order;</li> </ol>	<b>Disqualification not to take effect</b>



- b) Where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of;
- c) Where within the seven days aforesaid, any further appeal, petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.
- 186.**
- a) A Director or his relative, firm in which such Director or relative is a partner or any other partner in such firm or a private company of which the director is a Member or Director may enter into any contract with the company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares or debentures of the company, provided that in case of the Company having a paid-up capital of not less than Rupees One Crore, no such contract shall be entered into except with the previous approval of the Central Government and the sanction of the Board shall be obtained before or within three months' of the date on which the contract is entered into in accordance with section 297 of the Act.
- Director may contract with Company**
- b) No sanction shall, however, be necessary for;
- i) any purchase of goods and materials from the company, or the sale of goods or materials to the company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
- ii) Any contract or contracts between the company on one side and any such Director, relative, firm, partner, or private company on the other side for sale, purchase or supply of any goods, materials and services in which either the company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed ₹ 5,000/- in the aggregate in any year comprised in the period of the contract. Provided that in circumstances of urgent necessity a Director, relative, firm, partner or private company as aforesaid may, without obtaining the consent of the Board, enter into any such contract with the company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds ₹ 5,000/- in the aggregate in any year comprised in the period of the Contract, if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.
- 187.**
- A Director or his relative, firm in which such director or relative is a partner, any other partner in such firm or a private company of which the Director is a member or director, may enter into any contract subject to approval of Central Government if and where applicable with the Company for the sale, purchase or supply of goods, materials, services, or for underwriting the subscription of any shares in, or debentures of the Company, provided the sanction of the Board is obtained by a resolution passed at the meeting of the Board before the date on which the contract is entered into or within three months thereof in accordance with Section 297 of the Act. No sanction however, shall be necessary in cases prescribed by Sub-Section (2) of Section 297 of the Act. Furthermore, nothing in this Article shall apply to any contract made in circumstances of urgent necessity which contract shall be regulated by Sub-Section (3) of Section 297 of the Act.
- 188.**
- A Director of the company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in section 299(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together hold or holds not more than two percent of the paid-up share capital in any such other Company or the Company.
- Disclosure of Interest**
- 189.**
- A General Notice given to the Board by the Directors, to the effect that he is a Director or Member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of his
- General notice of interest**

	<p>concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Directors concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.</p>	
190.	<p>Subject to the exception stipulated by Section 300(2) of the Act, on Director shall as a Director, take part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is any way, whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence be counted for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided, however, that nothing herein contained shall apply to :-</p> <ol style="list-style-type: none"> <li>a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</li> <li>b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:- <ol style="list-style-type: none"> <li>(I) in his being :- <ol style="list-style-type: none"> <li>(a) a Director of such company; and</li> <li>(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company; or</li> </ol> </li> <li>(II) in his being a member holding not more than two percent of its paid up share capital.</li> </ol> </li> </ol>	<p><b>Interested Directors not to participate or vote in Board's proceeding</b></p>
191.	<p>The company shall keep a Register in accordance with section 301(1) of the Act and shall within the time specified in Section 301(2) enter therein such of the particulars as may be relevant having regard to the application of Section 297 or Section 299 of the Act as the case may be. Nothing in this Article shall apply to any case to which Clause (3A) of Section 301 of the Act applies. The Register shall be kept at the Registered Office of the Company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fees as in the case of the Register of Members of the Company and the Provisions of Section 163 of the Act shall apply accordingly.</p>	<p><b>Register of Contracts in which Directors are interested</b></p>
192.	<p>A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309 (6) or Section 314 of the Act may be applicable.</p>	<p><b>Directors not to hold office or place of profit</b></p>
193.	<p>The Company shall observe the restrictions imposed on the Company in regard to granting of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any, of the Act.</p>	<p><b>Loan to Directors</b></p>
194.	<ol style="list-style-type: none"> <li>A. The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable.</li> <li>B. The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act.</li> </ol>	<p><b>Appointment of Sole Selling Agents</b></p>
195.	<p>At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 255 &amp; 256 of the Act or these Articles or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Directors, if any, shall not be</p>	<p><b>Rotation Retirement and of Directors</b></p>

	subject to retirement under this clause and shall not be taken into account in determining to rotation of retirement or the number of Directors to retire.	
196.	Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 200 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 who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.	<b>Ascertainment of Directors retirement by rotation and filling of vacancies</b>
197.	A retiring Director shall be eligible for re-election	<b>Eligibility of re-election</b>
198.	Subject to section 258 and 261 of the Act and further subject to Article 200, the Company at the General Meeting at which a Director retires in the manner aforesaid, may fill the vacated office by electing a person thereto.	<b>Company to appoint successors</b>
199.	<p>A. If the place of the retiring Director is not so filled up and the meeting not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a holiday, at the same time and place.</p> <p>B. If at the adjourned meeting also, it has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless :</p> <p>i) at that meeting or at the previous meeting resolution for the re-appointment of such Director has been put to the meeting and lost;</p> <p>ii) the retiring Director has, by a notice in writing addressed to the Company, or its Board expressed his willingness to be so reappointed;</p> <p>iii) he is not qualified or is disqualified for appointment;</p> <p>iv) a resolution, whether special or ordinary, is required for the appointment or re appointment by virtue of any provisions of the Act; or</p> <p>v) the provisions of sub-section (2) of section 263 of the Act is applicable to the case.</p>	<b>Provision in default of appointment</b>
200.	Subject to Sections 259 of the Act, the Company may by ordinary resolution, from time to time, increase or reduce the number of Directors, within the limits fixed in that behalf by these Articles, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his place. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.	<b>Company may increase or reduce the number of Directors</b>
201.	<p>a) A person who is not a retiring Director shall, in accordance with and subject to the compliance of provisions of Section 257 of the Act and Article 205 of this Articles of Association, be eligible for appointment to the office of Director at any General Meeting.</p> <p>b) The Company shall comply with the provisions of said Section 257 of the Act in case of such an appointment.</p>	<b>Right of persons other than retiring Directors to stand for Directorship</b>
202.	<p>a) No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some other member intending to propose him has, not less than fourteen days before the meeting, left at the office of the company, a notice in writing under his hand signifying his candidature for the office of Director for that office under these Articles, along with a deposit of ₹ 500 which shall be refunded to such person or, as the case may be, to such member if the person succeeds in getting elected as a Director.</p> <p>b) Every person (other than a Director retiring by rotation or otherwise) or a person who has left at the office of the Company a notice under section 257 of the Act signifying his candidature for the office of a Director) proposed as a</p>	<b>Notice of Candidate for office of Director except in certain cases</b>

candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

- c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under section 262 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office shall not act as a Director of the Company, unless he has within thirty days of appointment signed and filed with the Registrar his consent in writing to act as such Director.

203.

- a) The Company may (subject to the provision of Section 284 of the Act and other applicable provisions of the Act and these Articles) remove any Director before the expiry of his period of office.
- b) Special notice as provided by Article 121 or Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- c) On receipt of notice of a resolution to remove a director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director concerned and the Director (Whether or not he is a Member of the Company) shall be entitled to be heard on the resolution at the meeting.
- d) Where notice is given of resolution to remove a Director under this Article, and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so (i) in the notice of the resolution given to Members of the Company state the fact of the representations having been made, and (ii) send a copy of the representations to every Member of the Company, and if a copy of the representation is not sent as aforesaid because they were received too late or because of the Company's default, the Director may without prejudice to his right to be heard orally require that copies of the representations shall be read out at the meeting. Provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.
- e) A vacancy created by the removal of director under this Article may, if he has been appointed by the company in General Meeting or by the Board in pursuance of Article 179 and 180 or section 262 of the Act, be filled by the appointment or another director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-clause (b) hereof. A director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as casual vacancy in accordance with the provisions, in so far as they are applicable of Article 180 or Section 262 of the Act, and all the provisions of the said Act in all respects thereof shall accordingly apply.
- g) A Director who has removed from office under this Article shall not be re-appointed as a director by the Board of Directors.
- h) Nothing contained in this Article shall be taken :
- i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as director or of any appointment terminating with that as Director; or
- ii) as derogating from any power to remove a Director which may exist apart from this Article.

**Removal of Director**

204.

- a) The Company shall keep at its Office a Registrar containing the particulars of its Directors, Secretary and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said section in all respects.

**Register of Directors etc. and notifications of change, to**

		<b>Registrar</b>
	b) The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said section in all respects.	<b>Registrar of shares or debentures held by Directors</b>
<b>205.</b>	<p>a) Every Director including a person deemed to be a Director (by virtue of the Explanation (1) to sub-section (1) of Section 303 of the Act), Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above offices in any other Body Corporate, disclose to the Company the particulars relating to his office in the other body corporates which are required to be specified under sub-section (2) of Section 303 of the Act.</p> <p>b) Every Director of the Company and every person deemed to be a Director of the Company by virtue of Sub-Section (10) of Section 307 of the Acts, shall give notice to the Company of such matters as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section and Section 308 of the Act.</p>	<p><b>Disclosure by Director of appointment to any other Body Corporate</b></p> <p><b>Disclosure by Director of his holdings of shares and debentures of the Company etc.</b></p>
<b>MANAGING DIRECTOR</b>		
<b>206.</b>	<p>Subject to the provisions of the Act and these Articles, the Board shall have the power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole time Director/s and/or Special Directors like Technical Director, Financial Director etc. of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Whole time Director(s) and Special Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>Provided that, subject to the provisions of Section 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration shall be subject to the approval of members in General Meeting and of the Central Government, if required.</p>	<b>The Board to appoint Managing Director/s</b>
<b>207.</b>	<p>Managing Director or Managing Directors shall not in any event exercise the powers to:</p> <p>a) make calls on shareholders in respect of money unpaid on the shares in the Company;</p> <p>b) issue debentures and except to the mentioned in a resolution passed at the Board Meeting under Section 292 of the Act, shall also not exercise the power to;</p> <p>c) borrow money, otherwise than on debentures;</p> <p>d) the funds of the Company; and</p> <p>e) make loans.</p>	<b>Restriction of Management</b>
<b>208.</b>	<p>The company shall not appoint or employ, or continue the appointment or employment, of a person as its Managing or Whole-time Director who :-</p> <p>a) is an undischarged insolvent or has at any time been adjudged an insolvent;</p> <p>b) suspends, or has at any time suspended, payment to his creditors, or makes or has at any time made a composition with them; or</p> <p>c) is, or has at any time been, convicted by a court of an offence involving moral turpitude.</p>	<b>Certain Persons not to be appointed Managing Director</b>

209.	A Managing Director shall not while he continues to hold that office be subject to retirement by rotation, in accordance with Article. If he ceases to hold the office of director he shall ipso facto immediately cease to be a Managing Director.	<b>Special position of Managing Director</b>
<b>WHOLE TIME DIRECTOR</b>		
210.	Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/ persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine or permanently for life time upon such terms and conditions as the Board thinks fit. The Board may by ordinary resolution and / or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period of periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and / or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors / persons nominated under Article 174 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.	<b>Power to appoint Whole Time Director and/or Whole-time Directors</b>
211.	Subject to the provisions of Section 255 of the Act and these Articles, a Whole Time Director or Whole Time Director shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors, and he/they shall ipso facto and immediately ceases or otherwise under the sees to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act any Annual General Meeting and shall be re-appointed as a Director of Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.	<b>To what provisions Whole time Directors shall subject</b>
212.	If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company	<b>Seniority of Whole Time Director and Managing Director</b>
<b>PROCEEDINGS OF THE BOARD OF DIRECTORS</b>		
213.	The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn or otherwise regulate their meeting as they think fit.	<b>Meeting of Directors</b>
214.	At least five days prior notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address inn India, to every other Director. Notice may be given by telegram, cable, telex or other means of communications to any Director who is not in India and a Notice sent by registered airmail shall confirm the same.	<b>Notice of Meetings</b>
215.	Subject to the Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Director, if any, whose places may be vacant at the time) any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or equal to two-third of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two, shall be the quorum during such time.	<b>Quorum</b>
216.	If a meeting of the Board could not be held for want of a quorum, than the meeting, subjects to Section 288 of the Act, shall automatically stand adjourned till the same day in the next week, at the same time and place, or if	<b>Adjournment of meeting for want of quorum</b>

	that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place or such day, time and place as may be fixed by the Chairman and the Directors present at the meeting.	
217.	The secretary shall, as and when directed by the Chairman to do so, convene a meeting of the Board by giving a notice in writing to every Director.	<b>When meeting to be convened</b>
218.	The Board may from time to time elect from among their number, a Chairman of the Board and determine the period for which he is to hold office. The Directors may likewise appoint from among their number a Vice-Chairman and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman and the Vice-Chairman are not present within fifteen minutes after the time appointed for holding the same or is unwilling to act as Chairman, the Directors may choose one of their number to be Chairman of the Meeting.	<b>Chairman</b>
219.	Subject to the provisions of the Act and of these Articles, question arising at any meeting of the Board of Directors shall be decided by a majority or votes and in the case of equality of votes, the Chairman shall have a second or a casting vote.	<b>Questions at Board Meeting how decided</b>
220.	A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.	<b>Powers of Board Meeting</b>
221.	Subject to the restrictions contained in Section 292 and other applicable provisions of the Act, the Board may delegate any of their powers to a committee of Directors consisting of such Director or Directors or one or more Director and a Member or Members of the Company as it thinks fit or to the Managing Director, Manager or any other Principal Officer of the Company or a Branch Officer or to one or more of them together and it may from time to time revoke and discharge any such committee of the Board either wholly or in part, and either as to purpose or purposes, but every committee of the Board 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 Board. All acts done by any such committee of the Board in Conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint Committee</b>
222.	The meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far, as the same are applicable thereto and are not superceded by any regulations made by the Directors under the last preceding Article.	<b>Meeting of Committee, how to be governed</b>
223.	No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or Members of the Committee, at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, by a majority of such of them, as are entitled to vote on the resolution.	<b>Resolution by circulation</b>
224.	All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such persons had been duly appointed and was qualified to be Director and had not vacated his office or his appointment had not been terminated, provided that nothing in his Article shall be deemed to revive validity to acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.	<b>Acts of Board or Committee valid notwithstanding informal appointment</b>
225.	a) The Company shall cause Minutes of all proceedings of every meeting of the Board and committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.	<b>Minutes of proceedings of meetings of the Board</b>

- b) Each page of every such book shall be initialled or signed and the last page of they record or proceedings of every meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- c) In no case the minutes of proceedings of a meeting be attached in any such book as aforesaid by pasting or otherwise.
- d) The minutes of each meeting shall contain a fair and correct summary of the proceeding thereat.
- e) All appointments of officers made at any of the meeting aforesaid shall be included in the Minutes of the meeting.
- f) The minutes shall also contain :-
  - i) the names of the Directors present at the meeting, and
  - ii) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.
- g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such Minutes of any matter which, in the opinion of the Chairman of the meeting :-
  - i) (a) is, or could reasonably be regarded as defamatory of any person; or
  - ii) (b) is irrelevant or immaterial to the proceedings; or
  - iii) (c) is detrimental to the interests of the Company;

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub- clause and the decision of the Chairman shall be final and binding.

- h) Minutes of any meeting of the Board of Directors or of any committee of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be, for all purposes whatsoever, prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction of occurrence of the proceedings so recorded and the regularity or the meeting at which the same shall appear to have been taken place.

226.

Where minutes of the proceedings of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 193 of the Act, then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of Director or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

**Presumptions to be drawn where minutes duly drawn and signed**

#### POWERS OF DIRECTORS

227.

The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, but subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**Power of Directors**

Provided that the Board shall not, except with the consent of the Company in General Meeting :-

- a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, or the whole, or substantially the whole, of any such undertaking; provided that nothing herein contained shall affect the selling or leasing of any property of the Company when the ordinary business of the Company consists of, or comprises, such selling or leasing;



- b) remit, or give time for the repayment of any debt due by a Director;
- c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of compulsory acquisition of such undertaking as is referred to in clause (a) above, or of any premise or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or any after a considerable time;
- d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.
- e) Contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees in excess of limits laid down by Section 293 of the Act.
- f) A receipt signed by the Managing Director or any one of the Managing Directors or by a Whole Time Director or by any one of the Whole Time Directors or by a person authorized by a resolution of directors to give receipt for any moneys, funds or property, lent or payable or belonging to the Company, shall be an effectual discharge on behalf of and against the Company for the moneys, funds or property which is such receipt shall be acknowledged to be received, and the person paying any such moneys shall not be bound to see to the application thereof or by answerable for the misapplication thereof
- g) To open and operate upon and overdraw bank accounts, to sign, make issue, negotiable, discount, endorse, accept or otherwise deal in all types of negotiable instruments including cheques, promissory notes, hundies, bill of exchange and bearer bonds arrange for credits in cash or in kind, specifying the bank or banks with whom the cash, credit account is to be opened and the limit of such accounts.
- h) To incur from time to time such expenses and lay out such sum or sums of moneys as Directors may deem expedient for the purpose of working the work-shop/s or factory/ies or for improving the business of the Company from time to time, to erect and fix new machinery or plant, or in any of the lands, building and premises for the time being in the position or the property or the Company, and time to time removal for all or any of the machinery, plant and stores of the Company being in or upon any loans, buildings and premises of the Company, to other lands. Building or premises wherever situate of the Company.
- i) To effect all kinds of insurance which in the opinion of the Directors ought to be effected for the benefit of the Company and in particular to ensure the property of the Company against loss or damage by fire or otherwise, and also to ensure against any standing charges and to ensure any anticipated profits of the company of any transaction or transactions entered into by the company, and to sell assign, surrender or discontinue any policies of insurance effected in pursuance of this power.
- j) To give any person employed by the Company a commission on the profits of any particular business or transaction and such commission shall be treated as part of the working expenses of the Company. Provided further that the powers specified in Section 298 of the Act, subject to these Articles be exercised only at meeting of the Board, unless the same be delegate to the extent therein stated.

228. Due regards and compliance shall be observed in regard to the matters dealt with by Section 293A of the Act.

**Political Contributions**

229. Without prejudice to the general powers conferred by the last proceeding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restriction contained in the last proceeding Article, it is hereby declared that the Directors shall have the following powers, that is to say power :-

**Certain powers of the Board**

- a) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- b) To pay and charge to the capital account of the Company any commission or

interest lawfully payable there out under the provisions of Sections 76 and 208 of the Act;

- c) Subject to Section 292 and 297 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- d) At their discretion and subject to the provision of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount as paid-up thereon as may be agreed upon; and any such bonds, debentures, mortgages, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled up capital or not so charged;
- e) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for time being or in such manner as they may think fit;
- f) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose, and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- g) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, dues and of any claims or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon;
- h) To act on behalf of the Company in all matters relating to bankrupts and insolvents;
- i) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- j) Subject to the provisions of Section 292, 293(1)(C), 295, 369, 370, 372 and 373 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit and from time to time vary of realise such investments. Save as provided in Section 49 of the Act all investments shall be made and held in the Company's own name;
- k) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or security, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- l) To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;
- m) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company commission in the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- n) To provide for the welfare of Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing to provident fund and other association, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to Section 293 (1)(C) to subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.
- o) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking

Fund or any Special Fund, to meet contingencies or to repay debentures, or debenture-stock, or redeemable preference shares or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause), as the Board may in the absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested and disposed off and apply and expand all or part thereof for the benefit of the Company in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board may apply or upon which they may expend the same, or any part hereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Board may think fit, with power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit to such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum.

- p) To appoint, and at their discretion remove or suspend such managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or services as they may from time to time think fit, and to determine their power and duties and fix their salary or emoluments or remuneration and to require security in such instances and to such amount as they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in four next following sub clauses shall be without prejudice to the general powers conferred by this sub clause;
- q) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;
- r) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Board, and to fix their remuneration;
- s) Subject to Section 292 of the Act, from time to time, and at any time, to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow monies and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
- t) At any time and from time to time by Power of Attorney under the Seal of the Company to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (including exceeding those vested in or exercisable by the Board under these present and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow money) and for periods and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the member or any of the members or any of the members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such Powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- u) Subject to Section 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient and generally subject to the provisions of the Act and these Articles to delegate the powers or authorities and discretions vested in the Directors to any person, firm, Company or

	fluctuating body of person as aforesaid; From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants;	
	<b>REGISTERS, BOOKS AND DOCUMENTS</b>	
230.	<p>The Company shall maintain registers, books, and documents as required by the Act or these Articles including the following namely:</p> <ol style="list-style-type: none"> <li>a) <ol style="list-style-type: none"> <li>(i) Register of Investments not kept in the Company's name according to Section 49 of the Act.</li> <li>(ii) Register of Mortgages, Debentures and Charges according to Section 143 of the Act.</li> <li>(iii) Register of Members according to Section 150.</li> <li>(iv) Register and Index of Debenture-holders according to Section 152 of the Act.</li> <li>(v) Register of Contracts, Companies and firms in which Directors are interested according to Section 301 of the Act.</li> <li>(vi) Register of Directors and Managing Directors, according to Section 303 of the Act.</li> <li>(vii) Register of Directors' Shareholdings and Debenture-holdings according to Section 307 of the Act.</li> <li>(viii) Books of accounts in accordance with the provision of Section 209 of the Act.</li> <li>(ix) Copies of instruments creating any charge requiring registration according to Section 136 of the Act.</li> <li>(x) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of certificates required under Section 161.</li> <li>(xi) Register of renewed and duplicate Certificates according to Rule 7(2) of the Companies (issue of Share Certificate) Rules, 1960.</li> </ol> </li> <li>b) The said register, books and documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively under the Act, on such days and during such business hours as may in that behalf be determined in accordance with the provisions of the Act or these Articles and extracts shall be supplied to persons entitled thereto in accordance with the provisions of the Act or these Articles.</li> <li>c) The Company may keep a foreign Register of Member in accordance with Section 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158, the directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of members and / or debentures holders.</li> </ol>	<b>Registers, Books and Documents</b>
231.	<p><b>MANAGEMENT</b></p> <p>The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :-</p> <ol style="list-style-type: none"> <li>(a) Managing Director and</li> <li>(b) Manager.</li> </ol>	<b>Prohibition of simultaneous appointment of different categories of managerial personnel</b>
232.	<p><b>THE SECRETARY</b></p> <p>Subject to the provisions of Section 383 of the Act, the Directors may from time to time appoint, and at their discretion, remove any individual (hereinafter called "the Secretary") who shall have such qualification as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed by the Secretary, and to execute any other duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also any time appoint some person (who need not be Secretary) to keep the register required to be kept by the Company.</p>	<b>Secretary</b>
233.	<p><b>THE SEAL</b></p> <ol style="list-style-type: none"> <li>a) The Board shall provide a Common Seal for the purposes of the Company, shall have powers from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board of Committee of the Board, previously given.</li> <li>b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.</li> </ol>	<b>The Seal, its custody and use</b>
234.	<p>Every deed or other instrument, to which the Seal of the Company is required to be affixed shall be signed by two Directors and the Secretary or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Articles 25 (a).</p>	<b>Deeds how executed</b>

**DIVIDENDS**

235.	Subject to the provision of Section 205 of the act and the rules made there under, the profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provision of these Articles, shall be divisible among Members in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.	<b>Division of profits</b>
236.	The Company in General Meeting may declare dividends to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.	<b>The Company in General Meeting may declare a dividend</b>
237.	No dividend shall be declared or paid except in accordance with Section 205 and Section 205 A of the Act and no dividend shall carry interest as against the Company. The declaration of the Board as the amount of profits of the Company shall be conclusive. Where a dividend has been declared, either the dividend shall be paid or the warrant in respect thereof shall be posted to the shareholder entitled to the payment of the dividend within time prescribed under Section 207 of the Act.	<b>Dividends only not to be paid out of profit</b>
238.	No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.	<b>Dividend payable to Registered holders</b>
239.	Subject to the provision of the Act, the Board may, from time to time pay to the Members such interim dividend as in their judgment the position of the Company justifies.	<b>Interim Dividend</b>
240.	Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.	<b>Capital paid-up in advance at interest, not to earn dividend</b>
241.	All dividends shall be apportioned and paid proportionately to amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such share rank for dividend accordingly.	<b>Dividends in proportion to amount paid up</b>
242.	Subject to the provisions of the Act, where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the company, notwithstanding anything contained in any other provisions of the Act, the company shall: (a) transfer the dividend in relation to such shares to the special account referred to an Section 205-A unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instruments of transfer, and (b) keep in abeyance in relation to such shares any offer of rights shares under section 81 (1) (a) and any issue of fully paid bonus shares in pursuance of section 205 (3) of the Act.	<b>Right to dividend rights / Bonus shares to be held in abeyance pending registration of transfer</b>
243.	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Transfer of shares must be registered</b>
244.	Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.	<b>Dividend etc. to joint holders</b>
245.	No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise on any other account whatsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.	<b>No member to receive dividend whilst indebted to the Company and Company's right of reimbursement there out</b>
246.	Unless otherwise directed any dividend may be paid by cheques or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post of the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holding. Every such cheques or warrant or pay-slip shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means. When a dividend cheque, warrant, pay slip or receipt is so posted the Company shall be deemed to have paid the dividend to the person entitled to it.	<b>Dividend how Remitted</b>

247.	Any General Meeting declaring a dividend, may, on the recommendation of the dividend, make a call on the Member of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the Member be set off against the calls.	<b>Dividend and call together</b>
248.	Subject to the provision of the Act, no unpaid dividend shall bear the interest as against the Company.	<b>No interest on dividend</b>
249.	Save as stated in Article 255, no dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on nay shares held by the members of the Company.	<b>Dividend to be payable in cash</b>
250.	Subject to the provisions of Section 205 of the Act and if and inn so far as may not be prohibited by that Section or any of the Provisions of the Act, any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend, wholly or in part, by the distribution of partly or fully paid up, shares and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates or that fractions of less value than Rupee one may de disregarded, in order to adjust the right of the parties and may vest any such shares, in trustees upon such trusts for the person entitled to the dividend as may seem expedient to the Directors. When required the Directors shall comply with Section 75 of the Act and the Directors may appoint any person to sign any contract thereby requires on behalf of the persons entitled to the dividend and such appointment shall be effective.	<b>Special provisions in respect of dividend</b>
251.	<p>a) The Company in General meeting may, upon recommendation of the Board resolve that it is desirable to capitalize any undivided profits of the Company not required for paying the fixed dividends on any Preference shares (including profits carried and standing to the credit of any reserve or reserves or other special account and profit arising from the realization of any capital assets or the issue of shares at a premium) and accordingly that the Directors be authorised to the member who would have been entitled to receive the same had such sums been distributed by way of dividends in accordance with their rights, and to apply such profits on their behalf on the footing that they become entitled thereto as capital either in or towards paying up the amount, if any, for the time being unpaid on any shares by such members respectively, or in paying up in full un-issued shares, debentures or securities of the Company of a nominal amount equal to such profits, such shares, debentures or securities to be allotted and distributed, credited, as fully paid-up, to and amongst such members in the proportion aforesaid, or partly in one way and partly in other. Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all the allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares, debentures or securities becoming distributable in fraction and also to authorise any person to enter on behalf of all the members in to an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as they case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any parts of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.</p> <p>b) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may by resolution of the Company be applied in paying up in full or in part any new shares or any shares then remaining un-issued to be issued such members of the Company or other persons as the Directors may resolve up to an amount equal to the nominal amount of the shares so issued.</p>	<b>Capitalisation of profits and reserves</b>
252.	<p><b>INTEREST OUT OF CAPITAL</b></p> <p>Where any shares in the Company are issued for the purpose of raising money to defray the expenses of construction of any work or building, or the provisions of any plant, which can not be made profitable for a lengthy period, the Company may pay interest on so much of that Share Capital as is for the time being paid up, for the period and at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same</p>	<b>Interest may be paid out of capital</b>

to capital as part of the cost of construction of the work or building, or the provisions of plant.

#### ACCOUNTS

- 253.** The Company shall keep at the Office or at such other place in India as the Board thinks fit, proper Books of Accounts in accordance with Section 209 of the Act with respect to :-
- a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
  - b) all sales and purchases of goods by the Company;
  - c) The assets and liabilities of the Company.
- Where the Board decides to keep all or any of the Books of Account at any place other than the Office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
- The Company shall preserve in good order the books of accounts relating to a period of not less than eight years proceeding the current year together with the vouchers relevant to any entry in such books of accounts.
- If the Company owns one or more than one branch office/s, whether in or outside India, proper Books of Accounts relating to the transactions effected at the branch office shall be kept at that branch office/s and proper summarized returns, made upto date at intervals of not more than three months, shall be sent by the branch office/s to the Company at its Registered Office or other place in India as the Board thinks fit where the said Books of the Company are kept.
- The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be and explain its transactions. The Books of Account and other books and paper shall be open to inspection by any Directors during business hours.
- 254.** The Board 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 and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorized by the Board or by a resolution of the Company in General Meeting.
- 255.** The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215 and 217 of the Act, cause to be prepared and to be laid before this Company in General Meeting, such Balance Sheets, Profit & Loss Accounts and Reports as are required by those Sections and in the form set out in part I of Schedule VI of the Act.
- 256.**
- A. Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts if any which it proposes, to carry to any reserve in such Balance Sheet, the amounts, if any, which it recommends to be paid by way of dividends and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
  - B. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of Company's business in the Company's subsidiaries or in the nature of the business in which the Company has an interest.
  - C. The Report shall also include a statement showing particulars of its employees as mentioned in Section 217 (2A) of the Act.
  - D. The Board shall also give the fullest information and explanation in its report or in cases falling under the provision to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditors Report.
  - E. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company.
  - F. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clause A to D of this Article are complied with.
- 257.** A copy of the audited Balance Sheet and Profit and Loss Account together with a copy of Auditors' Report and a copy of every document required by law to be annexed thereto, as the case may be, to the Balance Sheet which is to be laid before the members in General Meeting shall, not less than twenty one days before the date of the Meeting, be sent to every member of the Company, unless the requirements of proviso (b) (iv) of Section 219 (1) of the

**Directors to keep true accounts**

**As to inspection of accounts or books by Members**

**Statement of accounts to be furnished to General Meeting Board's Report to be attached to Balance Sheet**

**Power to amend audited accounts**

258.	<p>Act are complied with.</p> <p>A copy of the audited Balance Sheet and Profit and Loss Account together with a copy of Auditors Report and a copy of every document required by law to be annexed thereto, as the case may be, to the Balance Sheet which is to be laid before the members in General Meeting shall, not less than twenty one days before the date of the Meeting, be sent to every member of the Company, unless the requirements of the proviso (b)(iv) of Section 219(1) of the Act are complied with.</p> <p>The Debenture holders of the Company shall have no right to receive notice of or to be present or to vote in person or proxy at any General Meeting of the shareholders of the Company or to receive the copies of Balance Sheets and Auditor's Report in accordance with the provisions of Section 219 of the Act. However, a holder of debentures of the Company will on written request be entitled to be furnished without charge, a copy of the Balance Sheet of the Company and of every document required by law to be annexed or attached thereto including the Profit &amp; Loss Account and the Auditor's Report.</p>	<b>Copies shall be sent to each Member</b>
259.	<p><b>AUDIT</b></p> <p>a) Every Balance Sheet and Profit &amp; Loss Account shall be audited by one or more Auditors, as may be appointed from time to time.</p>	<b>Accounts to be audited</b>
260.	<p>b) The Company will comply with all the provisions prescribed in Section 224 to Section 233 (both inclusive) of the Act, as amended from time to time.</p> <p>The first Auditor or Auditors of the Company shall be appointed by the board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. Provided that the Company may at a General Meeting remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company not less than fourteen days before the date of the meeting, provided further that if the Board fails to exercise its power under this Article, the Company in General Meeting may appoint the first Auditor or Auditor.</p>	<b>First Auditor or Auditors</b>
261.	<p>Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the accounts shall forthwith be corrected and henceforth shall be conclusive,</p>	<b>Accounts when audited and approved be conclusive</b>
262.	<p>Save as otherwise expressly provided in the Act, A document or proceedings requiring authentication by the Company may be signed by the Director, the Managing Director, the Manager, the Secretary or other authorized officer of the Company and need not be under its Common Seal.</p>	<b>Authentication of documents and proceedings</b>
263.	<p><b>DOCUMENTS AND NOTICES</b></p> <p>a) A document or notice may be served or given by the Company on any Member either personally or be sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.</p> <p>b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, serving shall be deemed to have been effected in the case of a notice of a meeting, at the expiry of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.</p> <p>c) Where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by Registered Post with or without acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member.</p>	<b>Service of documents or notice on Members by Company</b>
264.	<p>A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears on every Member who has no registered address in India and has not supplied to the Company any address within India for the serving of documents on or the sending of notices to him and shall be deemed to have been given on the day on which the advertisement shall first appear.</p>	<b>By Advertisement</b>
265.	<p>A document or notice may be served or given by the Company on or to the joint-holders of a share of serving or giving the document or notice to the joint-holder named first in the Register of Members in respect of the shares.</p>	<b>On joint holders</b>
266.	<p>A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a</p>	<b>On personal</b>



	Member by sending it through the post in prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or until such an address has been so supplied by serving the document or notice in any manner in which the same have been given if the death or insolvency had not occurred.	<b>representatives etc.</b>
267.	Documents or notices of every General Meeting shall be served or given in same manner hereinbefore authorized or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a Member, and (c) the Auditor or Auditors for the time being of the Company.	<b>To whom documents or notices must be served or given</b>
268.	Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.	<b>Members bound by documents or notices served on or given to previous holders</b>
269.	Any document or notice to be served or given by the Company may be signed by a Director, or some person duly authorized by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.	<b>Documents or notice by Company and signature thereto</b>
270.	A notice may be served on the Company or any Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by post under a certificate of posting or by registered post, or by leaving it at its Registered Office.	<b>Service of document or notice by Members</b>
271.	On any sale of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorized by a Special Resolution and after paying off the holders of preference shares, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either than existing or to be formed for the purpose in whole or in part of the property of the company, and the Board (if the profits of the Company permit) or the liquidators (or winding-up) may distribute such shares or securities or any other property or the Company amongst the holders of ordinary shares without realization, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, or other securities benefit or property, otherwise than in accordance with the strict legal rights of the holders of ordinary shares, 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 ordinary shares shall be bound to accept and shall be bound by any valuation or distribution so authorized 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 Articles.	<b>Reconstruction</b>
<b>WINDING UP</b>		
272.	<p>A. Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such be less than sufficient 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 winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.</p> <p>B. But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.</p>	<b>Winding up</b>
273.	Subject to the provisions of the Act if the Company shall be wound up whether voluntarily or otherwise the liquidator may with the sanction of a Special Resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.	<b>Distribution in specie or in kind</b>
<b>INDEMNITY AND RESPONSIBILITY</b>		
274.	a) Subject to the provisions of Section 201 of the Act, every Director, Manager, Auditor and other Officer or Servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the Funds of the Company to pay all costs, losses and expenses which any such Director, Manager, Auditor or other Officer or Servant may incur or become	<b>Director's and other's right of indemnity</b>

liable to by reason of any contract entered into, or act or thing done by him as such Director, Manager, Auditor or other Officer or servant or in any way in the discharge of his duties including travelling, expenses and in particular and so as not to limit the generality of the forgoing provisions against all liabilities incurred by him as such Director, Manager, Auditor or other Officer in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or he is acquitted, or in connection with any application under Section 633 of the Act in which relief 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.

- b) Subject to the provision of Section 201 of the Act, no Director, Manager, or other Officer of the Company shall be liable for the acts, receipts neglects or defaults of any other Director or Officer or for joining in any receipt or other Act for conformity or for any loss or for joining in any receipt or other Act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys, securities or effect shall be deposited or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own dishonest.

#### SECRECY CLAUSE

275.

- a) Every Director, (except institutional/ex-officio Director) Auditor, Trustee, member of a committee, officer, servant, agent, accountant or any other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company and all matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, business or customers, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director, would be inexpedient in the interest of the Company to disclose.

**Secrecy clause**

#### GENERAL POWER

276.

Wherever in the Companies Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, than and in that case this Clause hereto authorizes and empowers the Company to have such right, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific Regulation in that behalf herein provided.

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Draft Red Herring Prospectus have been delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at A-39, Kailash Colony, New Delhi -110 048, from 10.00 a.m. to 4.00 p.m. on Working Days from the date of filing of the Draft Red Herring Prospectus until the Bid / Issue Closing Date of this Issue.

#### Material Contracts for Inspection

1. Issue Agreement dated September 28, 2011 between our Company and the BRLM to the Issue.
2. Memorandum of Understanding dated July 08, 2010, between our Company and Sharepro Services (India) Private Limited as Registrar to the Issue.
3. Escrow agreement dated [●] between our Company, the BRLM, Escrow Collection Banks, and the Registrar to the Issue.
4. Syndicate agreement dated [●] between our Company, the BRLM and the Syndicate Members.
5. Underwriting agreement dated [●] between us, our Company, the BRLM and the Syndicate Members.
6. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated [●].
7. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated [●].

#### Material Documents for Inspection

1. Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including Certificates of Incorporation.
2. Resolution of the Board of Directors dated July 30, 2011, authorising the Issue.
3. Special resolution of the shareholders passed at the Extraordinary General Meeting dated August 25, 2011 authorising the Issue.
4. Copies of our annual reports for the past five Fiscals.
5. Board resolution dated April 18, 2011, and resolution of the shareholders passed at their Annual General meeting dated September 24, 2011, for fixing the term of appointment and the remuneration of our Chairman and Managing Director Mr. Rahul Beri.
6. Board resolution dated November 10, 2010 and resolution of the shareholders passed at their Annual general meeting dated September 24, 2011, 2011 for fixing the term of appointment and the remuneration of our Executive director Mr. Regi George.
7. Copy of Restated Audit report by, M/s. L.T. Jadav & Co, Chartered Accountants (peer review certified auditor) dated September 27, 2011, included in the Draft Red Herring Prospectus and copies of the Balance Sheet referred in the said report.
8. Copy of Certificate dated September 26, 2011, from the statutory auditors, M/s. Nayak Rath & Associates, Chartered Accountants, detailing the tax benefits.
9. Copy of the Certificate from the statutory auditors, M/s. Nayak Rath & Associates, Chartered Accountants, dated September 10, 2011, regarding the sources and deployment of funds as on August 31, 2011.
10. IPO Grading Report issued by [●] dated [●] and the IPO Grading perspective.

11. Consents in writing from our Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Review Auditors, Bankers to our Company, Bankers to the Issue, Book Running Lead Manager, Syndicate Member(s), Underwriter(s), IPO Grading Agency, Registrar of the Issue, Legal Advisor to the Issue to act in their respective capacities.
12. Due diligence Certificate dated September 28, 2011 to SEBI from the BRLM.
13. Initial Listing applications dated [●] and [●] and filed with the BSE and NSE.
14. In-principle listing approvals dated [●] and [●] from BSE and NSE respectively.
15. Copy of SEBI observation letter no. [●] dated [●].
16. Reply by BRLM dated [●] for the above SEBI observation letter.

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, the Directors of our Company, hereby declare, that all the relevant provisions of the Companies Act, 1956, the regulations issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, including SEBI ICDR Regulations and guidelines issued by the Government of India, as the case may be, have been complied with and that no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or regulations or rules or guidelines issued thereunder, as the case may be. We further certify that all the disclosures and statements made in the Draft Red Herring Prospectus are true, fair, accurate and correct.

**Signed by all the Directors of Times Academy Limited**

Name and designation	Signature
<b>Mr. Rahul Beri</b>	
<b>Mr. Regi George</b>	
<b>Mrs. Meera S. Korde</b>	
<b>Mr. Yashpal Saini</b>	
<b>Mr. Deepak Mhatre</b>	

**Signed by the Finance Head**

**Mr. Omprakash Tiwari**  
*Head - Finance*

Place: New Delhi

Date: September 28, 2011

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