



DRAFT RED HERRING PROSPECTUS

Dated: January 29, 2010

Please read Section 60B of the Companies Act, 1956

(This Draft Red Herring Prospectus will be updated upon RoC filing)

Book Built Issue

ASIAN BUSINESS EXHIBITION & CONFERENCES LIMITED

Our Company was incorporated as Asian Business Exhibition & Conferences Limited on April 10, 2007 in Mumbai as public limited company under the Companies Act, 1956 with Corporate Identity Number (CIN) U74900MH2007PLC169832. On May 1, 2007 we received our certificate of commencement of business.

Registered Office: 530, Laxmi Plaza, Laxmi Industrial Estate, Andheri - West, Mumbai - 400 053, Maharashtra, India.

Tel: +91 22 4050 4900; **Fax:** +91 22 2636 7676

Contact Person: Pravin N. Patil, Company Secretary and Compliance Officer

E-mail: ipo@abcindia.biz; **Website:** www.abcindia.biz

PROMOTERS OF OUR COMPANY

SURENDRA MOHAN SINGH GANDHI, SUMIT MOHAN SINGH GANDHI AND MANISH MOHAN SINGH GANDHI

PUBLIC ISSUE OF 56,00,000* EQUITY SHARES OF RS. 10 EACH OF ASIAN BUSINESS EXHIBITION & CONFERENCES LIMITED ("ABECL" OR OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING TO RS. [●] LACS (THE "ISSUE"). THE ISSUE WILL CONSTITUTE 39.72% OF THE POST ISSUE PAID UP CAPITAL OF OUR COMPANY.

** Our Company is considering a Pre-IPO Placement with certain investors ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of the Company. Our Company will complete the issuance, if any, of such Equity Shares prior to the filing of the Red Herring Prospectus with the Registrar of Companies. If the Pre-IPO Placement is completed, then the Issue size will be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid up capital being offered to the public.*

**PRICE BAND: RS. [●] TO RS. [●] PER EQUITY SHARE OF FACE VALUE RS. 10 EACH
THE FLOOR PRICE IS [●] TIMES OF THE FACE VALUE AND THE CAP PRICE IS [●] TIMES OF THE FACE VALUE**

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

The Issue is being made under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and through the Book Building Process wherein at least 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), of which 5% shall be available for Allocation on a proportionate basis to Mutual Funds only and the remaining QIB Portion shall be available for allocation to the QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders, subject to valid Bids being received at or above the Issue Price. If at least 50% of the Issue cannot be allotted to QIBs, then the entire application monies received will be refunded forthwith.

A Bidder (other than a QIB) may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") by providing details of the bank account in which the Bid Amount will be blocked by the SCSBs. For details refer paragraph titled "Issue Procedure for ASBA Bidders" beginning on page 259 of the Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares is Rs.10 and the Issue Price is [●] times of the face value. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (has been determined and justified by the Book Running Lead Manager ("BRLM") and our Company, as stated in chapter titled "Basis for Issue Price" beginning on page 44 of the Draft Red Herring Prospectus) should not be taken to be indicative of the market price of our Equity Shares after our Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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 our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page xiv 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 the Issue, which is material in the context of the Issue, that the information contained in the Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes 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.

IPO GRADING

The Issue has been graded by [●] as [●] (indicating [●]). For further details, please refer to the chapter titled "General Information" beginning on page 13 of the Draft Red Herring Prospectus.

LISTING ARRANGEMENT

The Equity Shares of our Company offered through the Draft Red Herring Prospectus are proposed to be listed on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. We have received in-principle approval from BSE pursuant to letter dated [●] and NSE pursuant to letter dated [●] for listing of our Equity Shares. For the purposes of this Issue, BSE shall be the Designated Stock Exchange.

| BOOK RUNNING LEAD MANAGER | REGISTRAR TO THE ISSUE |
|---|---|
| | |
| Anand Rathi Advisors Limited 11th Floor, Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel: +91 22 4047 7000 Fax: +91 22 4047 7070 Email: abecl.ipo@rathi.com Contact Person: Akshay Bhandari / Gaurav Lohiya Website: www.rathi.com SEBI Registration No.: MB / INM000010478 | Karvy Computershare Private Limited Plot nos.17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 Tel: +91 40 2342 0815-28 Fax: +91 40 2343 1551 Email: abecl.ipo@karvy.com Contact Person: Murali Krishna Website: http://karisma.karvy.com SEBI Registration No.: INR000000221 |

ISSUE PROGRAMME

| | | | |
|-------------------------------|-----|--------------------------------|-----|
| BID / ISSUE OPENS ON : | [●] | BID / ISSUE CLOSES ON : | [●] |
|-------------------------------|-----|--------------------------------|-----|

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

| TERM | DESCRIPTION |
|---|--|
| “ABECL”, “Asian Business Exhibition & Conferences Limited”, “the Company”, “our Company”, “Issuer”, “we”, “us” or “our” | Unless the context otherwise requires, refers to ASIAN BUSINESS eXHIBITION & CONFERENCES LIMITED, a public limited company incorporated under the Companies Act, 1956 having its registered office at 530, Laxmi Plaza, Laxmi Industrial Estate, Andheri – West, Mumbai -400 053, Maharashtra, India. |
| “our Promoters”, “our Promoter” | Unless the context otherwise requires, refers to Surendra Mohan Singh Gandhi, Sumit Mohan Singh Gandhi and Manish Mohan Singh Gandhi |
| Surendra Gandhi / Surendra Mohan Singh Gandhi | Unless the context otherwise requires, refers to Surendra Mohan Singh Gandhi |
| Sumit Gandhi / Sumit Mohan Singh Gandhi | Unless the context otherwise requires, refers to Sumit Mohan Singh Gandhi |
| Manish Gandhi / Manish Mohan Singh Gandhi | Unless the context otherwise requires, refers to Manish Mohan Singh Gandhi |
| Promoter Group | The Promoter Group of our Company are the entities / persons related to the Promoters as per the definition of “promoter group” in Regulation 2 (zb) of the SEBI ICDR Regulations, and as detailed in the chapter titled “Our Promoter Group” beginning on page 126 of this Draft Red Herring Prospectus |
| Promoter Group Entities | Unless the context otherwise requires, refers to New Media 29 Events Private Limited, Asian Business Exhibitions and Conferences, Indian Exhibitions & Conferences, Media Eleven, Oil Asia Journal, Oil Asia Journal (Symposium Division) and Surendra Mohan Singh Gandhi HUF. |
| “our Subsidiary” and/ or “Subsidiary” | Oil Asia Publication Private Limited |
| “you”, “your” or “yours” | Prospective investors in this Issue |

Conventional / General Terms

| TERM | DESCRIPTION |
|--|--|
| Articles / Articles of Association / AOA | The Articles of Association of our Company. |
| Auditors | The statutory auditors of our Company, being R. Sanghvi and Co., Chartered Accountants, Mumbai |
| Board of Directors / Board | The Board of Directors of our Company or a Committee thereof duly constituted. |
| Companies Act | The Companies Act, 1956, as amended from time to time. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| Depository | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time. |
| Depository Participant | A depository participant as defined under the Depositories Act. |
| Director(s) | Director(s) of our Company unless otherwise specified. |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed thereunder. |
| FII | Foreign Institutional Investor [as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time] registered with SEBI under applicable laws in India |
| FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended. |

| TERM | DESCRIPTION |
|---|---|
| FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended. |
| Financial Year/ Fiscal / FY | The period of twelve months ending on March 31 of that particular year. |
| FVCIs | Foreign Venture Capital Investors, defined and registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000 as amended from time to time |
| IT | Information Technology |
| I.T. Act / IT 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. |
| Memorandum / Memorandum of Association / MOA | The Memorandum of Association of our Company. |
| Non Resident | All eligible Bidders, including Eligible NRIs, FIIs and FVCIs who are not persons resident in India. |
| NRI / 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, each such term as defined under the FEMA (Deposit) Regulations, 2000, as amended from time to time. |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time. |
| Registered Office | The registered office of our Company situated at 530, Laxmi Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053. |
| SEBI Act | The Securities and Exchange Board of India Act, 1992, as amended from time to time. |
| SEBI ICDR Regulations / SEBI ICDR Regulations 2009 / ICDR Regulations | The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the circulars as specified in Clause 5 of SEBI/CFD/DIL/ICDRR/1/2009/03/09 dated September 03, 2009, 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 SEBI from time to time, including instructions and clarifications issued by SEBI from time to time. |
| SEBI Insider Trading Regulations | The 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 Takeover Regulations | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time. |
| U.S. GAAP | Generally accepted accounting principles in the United States of America. |
| VCFs / Venture Capital Fund | Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations. |
| VCF Regulations | Securities Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended. |

Issue Related Terms

| TERM | DESCRIPTION |
|--|--|
| Allotment / Allotment of Equity Shares | Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue. |
| Allocation/ Allocation of Equity Shares | Unless the context otherwise require, allocation of Equity Shares pursuant to the Issue. |
| Allottee | The successful Bidders to whom Equity Shares are being /have been allotted. |
| Applications Supported by | The Application Supported by Blocked Amount (whether physical or |

| TERM | DESCRIPTION |
|---|---|
| Blocked Amount / ASBA | electronic) used by a Bidder (other than a QIB) to make a Bid authorising the SCSB to block the Bid Amount in their specified bank account maintained with SCSB. |
| ASBA Account | Account maintained by an ASBA Bidder with a SCSB which shall be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder, as specified in the ASBA Bid cum Application Form |
| ASBA Bid cum Application Form / ASBA Form | The Bid cum Application Form for ASBA Investors in terms of which the ASBA Bidder shall make an offer to subscribe to the Equity Shares of our Company and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and Prospectus. |
| ASBA Investor / ASBA Bidder | An Investor who intends to apply through ASBA process in the Issue and is not a QIB; is applying through blocking of funds in a bank account with the SCSB. |
| ASBA Public Issue Account | A bank account of our Company under Section 73 of the Act, being the same as the Public Issue Account, where the funds shall be transferred by the SCSBs from the ASBA Account |
| Basis of Allotment / Basis of Allocation | The basis on which the Equity Shares will be allotted / allocated. |
| Bid | An indication to make an offer, made during the Bidding Period by a prospective investor to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by any Bidder (other than QIBs) pursuant to the submission of an ASBA Bid cum Application Form to subscribe to the Equity Shares. |
| Bid Amount | The highest value of the optional Bids indicated in the Bid Cum Application Form. In case of ASBA Bidders the highest value of the optional Bids indicated in the ASBA Bid Cum Application Form. |
| Bid / Issue Closing Date or Bid Closing Date or Issue Closing Date | The date after which the member(s) of the Syndicate/SCSB will not accept any Bids for this Issue, which shall be notified in an English national newspaper, a Hindi national newspaper and a regional language newspaper, each with wide circulation. |
| Bidding Centre | A centre for acceptance of the Bid cum Application Form |
| Bid / Issue Opening Date or Bid Opening Date or Issue Opening Date | The date on which the member(s) of the Syndicate/SCSB shall start accepting Bids for this Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a regional language newspaper, each with wide circulation. |
| Bid Cum Application Form | The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares of our Company and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and Prospectus. Unless the context otherwise requires in the Draft Red Herring Prospectus, the Bid Cum Application Form includes ASBA Bid Cum Application Form. |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus, the Bid Cum Application Form or the ASBA Bid cum Application Form. |
| Bidding Period or Bidding/ Issue Period or Issue/ Bidding Period or Bid / Issue Period. | The period between the Bid / Issue Opening Date and the Bid / Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids, including any revisions thereof. |
| Book Building Process / Book Building | Book building mechanism as provided under Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is made. |
| BRLM / Book Running | Book Running Lead Manager to the Issue, in this case being Anand Rathi |

| TERM | DESCRIPTION |
|--|---|
| Lead Manager / Lead Manager / ARAL / Anand Rathi | Advisors Limited. |
| BSE | Bombay Stock Exchange Limited |
| Business Day | Any day on which commercial banks in Mumbai are open for business |
| CAN/ Confirmation of Allocation Note | The note or advice or intimation of Allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares in accordance with the Book Building Process. Unless the context otherwise refers it also includes revised CAN(s). |
| Cap Price | The upper end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted. |
| Controlling Branches | Such branches of the SCSBs which coordinate Bids under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in . |
| Cut-off / Cut off / Cut-off Price / Cut off Price | Any price within the Price Band finalised by our Company in consultation with the BRLM. A Bid submitted at the Cut-off Price by a Retail Individual Bidder who has Bid for Equity Shares for an amount less than or equal to Rs. 1,00,000 and is a valid Bid. |
| Designated Date | The date on which funds are transferred from the Escrow Account to the Public Issue Account and the amount blocked by the SCSBs are transferred from the bank account of the ASBA Investors to the Public Issue Account, as the case may be, after the Prospectus is filed with the Registrar of Companies following which the Board of Directors shall allot Equity Shares to successful Bidders. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA Bidders and a list of which is available on http://www.sebi.gov.in . |
| Designated Stock Exchange | BSE is the designated stock exchange for the purpose of the Issue |
| DP ID | Depository Participant's Identification Number |
| Draft Red Herring Prospectus / DRHP | The Draft Red Herring Prospectus, dated January 29, 2010, which does not have complete particulars on the price at which the Equity Shares are offered and size of the Issue, which is filed with SEBI and Stock Exchanges. It will become a Red Herring Prospectus issued in accordance with the provisions of Section 60B of the Companies Act after filing with the RoC at least three days before the Bid / Issue Opening Date. It will become a Prospectus after filing with the RoC after the Pricing Date. |
| Eligible NRIs | NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares allotted herein. |
| Equity Shares | Equity Shares of our Company of face value of Rs. 10/- each unless otherwise specified in the context thereof. |
| Escrow Account(s) / Escrow Accounts / Escrow Account | Account opened with Escrow Collection Bank(s) and in whose favour the Bidder (excluding ASBA Bidders) will issue cheques or drafts or electronic transfer in respect of the Bid Amount. |
| Escrow Agreement | Agreement to be entered into among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), the Refund Bank(s) and the BRLM in relation to the collection of the Bid Amounts and dispatch of the refunds (if any) of the amounts collected, to the Bidders (except ASBA Investor). |
| Escrow Collection Bank(s) / Banker(s) to the Issue | The banks which are clearing members and registered with SEBI as banker to an issue under SEBI (Bankers to an Issue) Regulations, 1994 at which the Escrow Account for this Issue will be opened, in this case being [●] |
| First Bidder | The Bidder whose name appears first in the Bid cum Application Form or Revision Form or ASBA Bid cum Application Form or ASBA Revision Form. |

| TERM | DESCRIPTION |
|--|--|
| Floor Price | The lower end of the Price Band, below which the Issue Price will not be finalised and below which no Bids will be accepted. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| IPO Grading Agency | [●], the grading agency appointed by our Company for grading the Issue |
| Issue / Issue to the Public | Public Issue of 56,00,000 Equity Shares each of our Company for cash at the Issue Price aggregating Rs. [●] lacs. |
| Issue Price | The final price at which Equity Shares will be issued and allotted in terms 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 | Gross proceeds raised by our Company through the Issue |
| Margin Amount | The amount paid by the Bidder (except ASBA Investor) at the time of submission of the Bid, which may be between 10% or 100% of the Bid Amount, as applicable. |
| Mutual Funds | Means mutual funds registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Mutual Funds Portion | That portion of the Issue, being 5% of the QIB Portion or 1,40,000 Equity Shares available for Allocation on a proportionate basis to Mutual Funds only. |
| NEFT | National Electronic Fund Transfer |
| Net Proceeds | Issue proceeds, after deducting the underwriting and issue management fees, selling commissions and other expenses associated with the Issue |
| Non Institutional Bidders | All Bidders (including sub - accounts which are foreign corporates or foreign individuals) that are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 1,00,000. |
| Non Institutional Portion | Consists of 8,40,000 Equity Shares aggregating Rs. [●] lacs, being not less than 15% of the Issue size, available for Allocation to Non Institutional Bidders on a proportionate basis, subject to receipt of valid Bids at or above the Issue Price. |
| Non Residents / NRs | Persons resident outside India, as defined under FEMA, including Eligible NRIs and FIIs |
| Non Resident Indian / NRI | A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended. |
| OCB / 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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in this Issue. |
| Pay-in Date | Except with respect to ASBA Bidders, Bid / Issue Closing Date or the last date specified in the CAN sent to Bidders receiving Allocation who pay less than 100% Margin Amount at the time of Bidding, as applicable. |
| Pay-in-Period | Means: (i) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/ Issue Opening Date and extending until the Bid/Issue Closing Date; and (ii) With respect to other Bidders, whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date. |
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable |
| Pre-IPO Placement / Pre-IPO | The private placement of up to [●] Equity Shares, for cash consideration aggregating up to Rs. [●] lacs in favour of certain investors, including |

| TERM | DESCRIPTION |
|---|---|
| | persons resident outside India, to be completed prior to filing the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. |
| Price Band | The price band of a minimum price (“Floor Price”) of Rs. [●] and the maximum price (“Cap Price”) of Rs. [●] and includes revisions thereof, if any. |
| Pricing Date | The date on which our Company in consultation with the BRLM finalizes the Issue Price. |
| Prospectus | The Prospectus, to be filed with the RoC in accordance with the provisions 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 this Issue and certain other information. |
| Public Issue Account | Account opened with the Banker(s) to this Issue to receive monies from the Escrow Account for this Issue on the Designated Date. |
| QIB Margin Amount | An amount representing at least 10% of the Bid Amount which QIBs are required to pay at the time of submission of bid. |
| QIB Portion | Consists of 28,00,000 Equity Shares of Rs. 10/- each aggregating Rs. [●] lacs being at least 50% of the Issue (subject to mandatory Allotment of at least 50% of the Issue size to QIBs), available for Allocation to QIBs on a proportionate basis, subject to valid bids being received at or above the Issue Price. 5% of the QIB Portion i.e. 1,40,000 Equity Shares shall be available for Allocation on a proportionate basis to Mutual Funds only. |
| Qualified Institutional Buyers / QIBs / QIB | A mutual fund, venture capital fund and foreign venture capital investor registered with SEBI; a foreign institutional investor and sub-account (other than a sub-account which is foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority (IRDA); provident funds with minimum corpus of Rs. 2500 lacs; and pension funds with minimum corpus of Rs. 2500 lacs; National Investment Fund set up by resolution no. F. No. 2/3/2005- DDII dated November 23, 2005 of the Government of India published in the Gazette of India and Insurance funds set up and managed by army, navy or air force of the Union of India, eligible to Bid in the Issue. |
| Red Herring Prospectus / RHP | The Red Herring Prospectus to be issued in accordance with Section 60B of the Companies Act, which does not have complete particulars on the price at which the Equity Shares are offered and size of this Issue. The Red Herring Prospectus will be filed with the RoC at least three days before the opening of this Issue and will become a Prospectus after filing with the RoC, the copy that includes the details of pricing and Allocation and final size of this Issue. |
| Refund Account (s) | The no-lien account maintained by the Refund Bank(s) to which the surplus money shall be transferred on the Designated Date and from which refunds of the whole or part of the Bid Amount (excluding the ASBA Bidders), if any, shall be made. |
| Refund Bank | The bank(s) which have been appointed / designated for the purpose of refunding the amount to investors either through the electronic mode as prescribed by SEBI and / or physical mode in accordance with the procedure contained in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 228 of the Draft Red Herring Prospectus. |
| Refund Banker(s) | [●] |
| Registrar of Companies / RoC | The Registrar of Companies located at Everest Building, 100, Marine Drive, Mumbai – 400 002, Maharashtra, India |

| TERM | DESCRIPTION |
|--|--|
| Registrar/ Registrar to this Issue | Karvy Computershare Private Limited |
| Resident Retail Individual Investor /Resident Retail Individual Bidder | A Retail Individual Bidder who is a “person resident in India” (as defined in Foreign Exchange Management Act, 1999) |
| Retail Individual Bidders | Individual Bidders (including HUFs, minors) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000/- in any of the bidding options in the Issue (including HUF applying through their Karta or minor applying through their natural guardian and Eligible NRIs and does not include NRIs other than Eligible NRIs) |
| Retail Portion | Consists of 19,60,000 Equity Shares aggregating Rs. [•] lacs, being not less than 35% of the Issue size, available for Allocation to Retail Individual Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price. |
| Revision Form | The form used by the Bidders to modify the quantity of Equity Shares or the Bid price in any of their Bid Cum Application Forms or any previous Revision Form(s). |
| Self Certified Banks (SCSBs) | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of making an Applications Supported by Blocked Amount and recognized as such by the SEBI from time to time. |
| SCSB Agreement | The deemed agreement between the SCSBs, the BRLM, the Registrar to the Issue, our Company, in relation to the collection of Bids from the ASBA Bidders and payment of funds by the SCSBs to the ASBA Public Issue Account |
| Stock Exchanges | Bombay Stock Exchange Limited and National Stock Exchange of India Limited |
| Syndicate | The BRLM and the Syndicate Members. |
| Syndicate Agreement | The agreement to be entered into between our Company and the members of the Syndicate, in relation to the collection of Bids in this Issue. |
| Syndicate Members | Intermediaries registered with SEBI and eligible to act as underwriters in this case being [•]. |
| Transaction Registration Slip / TRS | The slip or document issued by the Syndicate Members to the Bidders and by SCSB’s to ASBA Investors as proof of registration of the Bid. |
| Underwriters | [•] |
| Underwriting Agreement | The agreement between the Underwriters and our Company to be entered into on or after the Pricing Date. |

Company / Industry Related Terms

| TERM | DESCRIPTION |
|--|--|
| Attendees / Visitors | Persons visiting exhibitions / conferences but not participating as an exhibitor. They visit / attend exhibitions / conferences to gather information and meet the exhibitors / delegates. |
| B2B / Business-to-Business / Business 2 Business | Commerce transactions inter-se amongst the manufacturers / service providers / intermediaries |
| B2C/ Business-to-Consumer/ Business 2 Customer | Commerce transactions between the manufacturers / service providers / intermediaries and the end consumers |
| BSG | Business Strategy Group, A market intelligence and strategy consulting firm in Asia with a special focus on business media, information and events. |
| CII | Confederation of Indian Industry |
| Conference | An assembly of delegates, representatives and members of a specific / related topic / industry convened for a common purpose. Also arranged in |

| TERM | DESCRIPTION |
|---|---|
| | conjunction with an Exhibition to inter-alia, promote the trade and discuss affairs of the industry |
| Event | It refers to the occurrence of any particular Exhibition at different locations, on different dates |
| Exhibition / Trade fair / Trade show / Expo | A term referring to an event / platform for congregation of exhibitors and visitors with an intention to gather information and meet each other. Trade Fair - Broadly used as the international term for an Exhibition Trade Shows - An Exhibition related to a particular industry or group. |
| Exhibitor Directory | A guide for Exhibition attendees which contains basic information about the Exhibition including the exhibitors details, stall locations, floor plan and schedule of events |
| Exhibition Organizer / EO / Organizers | An organiser who manages all aspects of the exhibition including conceptualising, planning and executing the same. |
| Exhibition Centre / Venue | The place where exhibition is held |
| Exhibition Hall / Hall | The area within an Exhibition Centre where stalls are located |
| Exhibitor | A person or an entity who participates in the Exhibition by taking floor space or stalls from the Exhibition Organizer to display their products / services, one who displays in an Exhibition |
| Fire Retardant | Term used to describe a finish which coats materials with a fire-resistant (not fire proof) cover |
| Floor Plan | A map showing the size and locations of exhibit / stall spaces |
| Floor Marking/ Marking | Method used to mark stall spaces |
| Forklift / Forktruck | Motorized vehicle used to load, unload, and transport heavy items |
| Freight Forwarder | A third party logistics provider which handles export shipments for a fee |
| Gross Space | The total area occupied by an exhibition organizer at the Exhibition Centre comprising of Net Space and common areas like passages, gangway and registration areas. |
| HVAC | Heating, Ventilating, and Air Conditioning system which helps in controlling the climate, regulating the temperature and air flow |
| IAEE | International Association for Exhibitions and Events |
| IEIA | Indian Exhibition Industry Association |
| Net Space | The total amount of stall space occupied by the Exhibitors in an exhibition. |
| Octanorm | A unique 8-groove system made of aluminium, which is used for exhibit/stall construction |
| Stall | The floor space assigned to an exhibitor |
| SPEC | Semi Permanent Exhibition Structure, consisting of a movable hangar, HVAC system, Octanorm. |
| Sq. ft. | Square Feet |
| Sqm./ sq. meter | Square Meter |
| Stall Designer/ Fabricator | A person or entity responsible for designing and constructing exhibition stalls |
| Trade Journal / Journal / Trade Magazine / Magazine | A periodical, speciality journal, scientific magazine or publication printed with the intention of marketing to a specific industry or type of trade/business |
| UFI | Union des Foires Internationales, the Global Association of Exhibition Industry |

Abbreviations

| ABBREVIATION | FULL FORM |
|-----------------|---|
| A/c | Account |
| AGM | Annual General Meeting. |
| ARAL | Anand Rathi Advisors Limited |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India. |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| BIFR | Board for Industrial and Financial Reconstruction |
| Bn | Billion |
| CAGR | Compounded Annual Growth Rate |
| CB | Controlling Branch |
| CDSL | Central Depository Services (India) Limited |
| CENVAT | Central Value Added Tax |
| CESTAT | Central Excise and Services Tax Appellate Tribunal |
| CIN | Corporate Identity Number |
| DB | Designated Branch |
| DIN | Director's Identification Number |
| DP | Depository Participant |
| EBIDTA | Earnings before Depreciation, Interest, Tax, Amortisation and extraordinary items |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting of the shareholders |
| EPS | Earnings per Equity Share |
| ERP | Enterprise Resource Planning |
| FCNR Account | Foreign Currency Non Resident Account |
| EU | European Unions |
| FDI | Foreign Direct Investment |
| FIPB | Foreign Investment Promotion Board |
| FIs | Financial Institutions |
| FY | Financial Year |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| GoI/ Government | Government of India |
| HUF | Hindu Undivided Family |
| ICAI | Institute of Chartered Accountants of India |
| IPO | Initial Public Offer |
| MICR | Magnetic Ink Character Recognition |
| MoA | Memorandum of Association |
| MoU | Memorandum of Understanding |
| Mn/mn | Million |
| MNC | Multi National Company |
| NA/n.a. | Not Applicable |
| NAV | Net Asset Value |
| NECS | National Electronic Clearing System |
| NOC | No Objection Certificate |
| NBFC | Non-Banking Finance Company |
| NR | Non-Resident |
| NRE Account | Non-Resident External Account |
| NRI | Non-Resident Indian |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |

| ABBREVIATION | FULL FORM |
|---|---|
| NTA | Net Tangible Assets |
| P/E Ratio | Price / Earnings Ratio |
| p.a. | Per annum |
| PAN | Permanent Account Number |
| PAT | Profit after tax |
| PBT | Profit before tax |
| RBI | The Reserve Bank of India |
| RHP | Red Herring Prospectus |
| RoC/Registrar of Companies, Maharashtra | The Registrar of Companies located at Everest Building, 100, Marine Drive, Mumbai – 400 002, Maharashtra, India |
| RoNW | Return on Net Worth |
| Rs./ Rupees / INR | Indian Rupees, the legal currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| SCRA | The Securities Contracts (Regulation) Act, 1956, as amended from time to time. |
| SCRR | The Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| SCSB | Self Certified Syndicate Bank |
| SEBI | The Securities and Exchange Board of India |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1995, as amended from time to time |
| Sq Mts. | Square Meters |
| TIN | Taxpayers Identification Number |
| TRS | Transaction Registration Slip |
| 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 |
| UK | United Kingdom |
| USD/ \$/ US\$ | The United States Dollar, the legal currency of the United States of America. |

Notwithstanding the foregoing,

- (i) In the section titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page 273 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the section titled “*Financial Statements*” beginning on page 128 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (iii) In the paragraphs titled “*Disclaimer Clause of the Bombay Stock Exchange Limited*” and “*Disclaimer Clause of the National Stock Exchange of India Limited*” beginning on page 216 and 216 respectively of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in those paragraphs.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Financial Data

Unless stated otherwise, the financial information used in the Draft Red Herring Prospectus is derived from our Company's restated standalone financial statements as of and for the Financial Years ended March 31, 2008 and 2009 and for the six month period ended September 30, 2009, and from our Company's restated consolidated financial statements as of and for the six month period ended September 30, 2009 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with SEBI ICDR Regulations, as stated in the report of our Auditors, R. Sanghvi and Co., Chartered Accountants, in the section titled "*Financial Statements*" beginning on page 128 of the Draft Red Herring Prospectus.

Our Fiscal Year commences on April 1 and ends on March 31 of a particular year. Unless stated otherwise, references herein to a Fiscal Year (e.g., Fiscal 2009), are to Fiscal Year ended March 31 of that particular year.

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

There are significant differences between Indian GAAP and U.S. GAAP; accordingly, the degree to which the Indian GAAP 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, Indian GAAP, Companies Act and SEBI ICDR Regulations. 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. Our Company has not attempted to explain these differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on financial data.

Market and Industry 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. Although we believe that industry data used in the Draft Red Herring Prospectus is reliable, it has not been verified.

CURRENCY AND UNIT OF PRESENTATION

All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Rs. 1 lac means Rs. 1,00,000 and Rs. 1 Crore means Rs. 1,00,00,000. All references to “US\$”; “U.S. Dollar”, USD or “US Dollars” are to United States Dollars, the official currency of the United States of America, all references to “€” are to Euros, the official currency of European Union, all references to “Sterling Pound” or “£” are to the official currency of the United Kingdom, all references to “S\$” or “Singapore Dollars” are to Singapore Dollars, the official currency of Republic of Singapore and all references to “AED” or “U.A.E. Dirham” or “DH” or “Dhs” are to United Arab Emirates Dirham, the official currency of United Arab Emirates. For additional definitions, refer to the chapter titled “*Definitions and Abbreviations*” beginning on page i of the Draft Red Herring Prospectus.

FORWARD LOOKING STATEMENTS

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

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industry in which we operate;
- Increased competition in this industry;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through this Issue;
- Fluctuations in operating costs;
- Dependence on few key exhibitions;
- Any adverse incident, including natural disaster, outbreak of any pandemic during or before our exhibitions;
- Our ability to maintain and expand our existing exhibitions;
- Our ability to enter into new verticals and setup new exhibition brands;
- Integration of our Company with the targets we intend to acquire from the net proceeds of the Issue;
- Availability of venue space to conduct our exhibitions;
- Our ability to attract and retain qualified personnel;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, refer section titled “*Risk Factors*” beginning on page xiv of the Draft Red Herring Prospectus, and chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 71 and 183 respectively of the Draft Red Herring Prospectus respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company nor the Book Running Lead Manager, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until the time of grant of listing and trading permissions by BSE and NSE.

SECTION II - RISK FACTORS

An investment in the Issue involves a high degree of risk. You should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below and “Financial Statements” beginning on page 128 of the Draft Red Herring Prospectus, before making an investment in our Equity Shares. You should read this section in conjunction with “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 71 and 183 respectively, as well as the other information contained in the Draft Red Herring Prospectus. If any one or some combination of the following risks were to occur, our business, results of operations and financial condition could suffer, and the price of Equity Shares and the value of your investment in Equity Shares could decline and you may lose all or part of your investment.

The Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. The Risk factors mentioned herein have been determined on the basis of their materiality as perceived by us. Our Company’s actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and in the Draft Red Herring Prospectus. See “Forward Looking Statements” beginning on page xiii of the Draft Red Herring Prospectus. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Prior to making an investment decision, prospective investors and purchasers must rely on their own assessment of the Issue and us.

RISKS RELATED TO OUR OBJECTS OF THE ISSUE

- 1. We have not undertaken an independent appraisal for proposed fund requirement and the deployment of the proceeds of the Issue. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution.***

The funds being raised through the Issue are proposed to be used for the objects as set forth in the section titled “Objects of the Issue”. Our funding requirements and the deployment of the proceeds is based on our management estimates and has not been appraised by any bank/financial institution. These are based on current conditions. We may have to revise our management estimates’ from time to time and consequently our funding requirements may also change. The deployment of funds is subject to monitoring by our audit committee and not by any external independent agency. This may result in the rescheduling of our plans and an increase in our proposed expenditure for particular project and our results of operations may be adversely impacted.

- 2. We are yet to enter into definitive agreements and have not yet placed orders for the Semi Permanent Exhibition Structure (“SPEC”) or the allied components, as stated in “the Objects of the Issue”. Any delay in placing the orders / or supply of SPEC may result in cost and time overruns, and may affect our growth plans.***

We have not yet placed orders for SPEC aggregating to Rs. 3,878.82 lacs which constitutes [●]% of the total Issue Proceeds. The normal lead time for delivery of the imported SPEC structure is in the range of 3 - 6 months after placing the order. Other components of the SPEC are to be procured locally and have relatively less lead time. Further, on delivery, the complete SPEC structure can be operational in 1 – 2 months. We are subject to risks on account of inflation and foreign exchange fluctuations in the assets being imported. Our Company has received quotations and negotiations with the vendors have commenced for procuring the SPEC. For further details refer the paragraph ‘Purchase of Semi Permanent Exhibition Structure (SPEC) and allied components’ under the chapter titled “Objects of the Issue” beginning on page 28 of the Draft Red Herring Prospectus. Any delay in placing the orders or delay at the suppliers’ end in providing timely delivery may affect our capability to scale up our projects and expand our operations, which may adversely affect our profitability.

3. ***We are yet to initiate the process of recruiting the manpower required for handling the backward integration of owning and managing SPEC. Any delay in recruiting the suitable personnel or the required number of people to operate the SPEC effectively may result in time and cost overruns.***

We estimate that we require approximately 50 personnel for undertaking and executing our owned SPEC. We propose to hire the required personnel from in and around Mumbai. In the event we are unable to recruit the suitable personnel or the required number of people to operate the SPEC, we may face time and cost overruns, which may have an adverse effect on our business and results of operations.

4. ***We have not yet identified specific acquisition targets and the fund deployment in this regard is uncertain.***

Our Company intends to use part of the Issue proceeds amounting to Rs. 2800.00 lacs for acquisition of certain exhibitions / exhibition brands and Rs. 750.00 lacs for acquisition of stall designing and fabrication companies which constitutes approximately [●]% of the Issue Proceeds. We have not yet entered into any definitive agreements to utilize the funds allocated for acquisitions. There can be no assurance that we will be able to conclude definitive agreements for such acquisitions and on such terms anticipated by us. As on the date of the Draft Red Herring Prospectus, We have not yet identified specific acquisition targets and are scouting for potential target companies. For further details refer the paragraphs titled “Acquisition of exhibition / exhibition brands” and “Acquisition of stall designing and fabrication companies” beginning on pages 36 and 37, respectively of the Draft Red Herring Prospectus under the chapter titled “Objects of the Issue”. The management, in accordance with the policies established by the Board of Directors, will have the flexibility in deploying the 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 and other fixed and variable return instruments. Further, we intend to complete the acquisition of stall designing and fabrication companies by August 31, 2010 and acquisition of exhibition brands by October 31, 2010.

5. ***Acquisitions may result in additional risks and uncertainties in our business.***

To the extent we make acquisitions, we face numerous risks and uncertainties in relation to combining or integrating businesses, including integrating relationships with customers, business partners and employees.

Future acquisitions, could entail a number of risks, including problems with the effective integration of operations, the inability to maintain key pre-acquisition business relationships and integrate new relationships, the inability to retain key employees, increased operating costs, exposure to unanticipated liabilities, risks of misconduct by employees not subject to our control, difficulties in realising projected efficiencies, synergies and cost savings, and exposure to new or unknown liabilities. Any future growth of our business may require significant resources and/or result in significant unanticipated losses, costs or liabilities. In addition, expansions or acquisitions may require significant managerial attention, which may be diverted from our other operations.

6. ***Our Company intends to raise funds for backward integration and is entering into allied fields. We currently do not have any direct experience and track record in the said fields.***

Our Company is proposing to backward integrate its operations by owning and setting its own SPEC. Currently we outsource this aspect of our operations and do not have direct experience in this field. We shall also be required to employ a large work force and our limited experience in handling labour related issues may also prove to be a concern. Further, we also intend to move up in the value chain by entering in the field of stall designing and fabrication, which requires creativity, know how and is heavily dependent on the skill set of the employees of the designing team. Currently we have relatively less experience in this field and cannot assure you that we will be successful in our expansion plans. Further, the segments of stall designing and fabrication and SPEC have not contributed to 25% of the

revenues of our Company in the last two Fiscal Years. These factors may adversely affect our results of operations and financials.

7. ***Our strategy to setup overseas offices to tap international exhibitors may not succeed.***

We intend to setup overseas offices in London, Dubai, Singapore and Shanghai to tap the overseas exhibitors for participation in our exhibitions. Though our Company believes that there is ample potential from this segment, we cannot assure you that the quantum of revenue generated from these offices will be as per our expectations or there might not be any revenue at all. This may adversely affect our expansion plans, results of operations and financial condition.

8. ***Our Company has not identified alternate sources of financing the ‘Objects of the Issue’ and may adversely affect our expansion and growth plans, if we fail to mobilize resources as per our plans.***

In such case, our Company shall approach Banks / Financial Institutions for funding the acquisition of SPEC or will make alternate funding arrangements through unsecured loans to bridge the shortfall.

INTERNAL RISK FACTOR

Risks relating to Our Company and Business

9. ***We are party to certain legal proceedings that, if decided against us, could have an adverse effect on our business prospects and results of operations.***

Our Company is involved in certain legal proceedings and claims in relation to certain criminal and tax matters incidental to their business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect their business and results of operations. A classification of these legal and other proceedings instituted against/by our Company are given in the following table:

Against our Company

| <i>(Rs. in lacs)</i> | | |
|---------------------------|-------------------------------|--------------------------|
| Type of Legal Proceedings | Total number of pending cases | Financial Implications * |
| Civil Cases | 1 | 9.99 |
| Company Cases | 1 | 5.74 |
| Service Tax notice | 1 | 23.48 |
| Legal Notices | 1 | 1.19 |

By our Company

| <i>(Rs. in lacs)</i> | | |
|---------------------------|-------------------------------|--------------------------|
| Type of Legal Proceedings | Total number of pending cases | Financial Implications * |
| Entertainment Tax | 2 | 6.28 |
| Criminal Cases | 2 | 19.30 |
| Legal Notice | 1 | Not Quantifiable |

*The tables above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court/Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties/interests/costs are at the discretion of the court/tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is/are pending.

For details on the litigation proceedings and notices mentioned above, refer to chapter titled “*Outstanding Litigations, Material Developments and Other Disclosures*” beginning on page 201 of the Draft Red Herring Prospectus.

10. *Our Directors are involved in certain legal proceedings.*

Our Directors/Promoters are involved in certain legal proceedings, which if determined against them, could have an adverse effect on them. A classification of these legal proceedings is as follows:

Against the Director / Promoter

| Name of Director/Promoter | Type of Proceedings | Financial Implication |
|----------------------------------|----------------------------|------------------------------|
| Sumit Gandhi | Income Tax | Not Quantifiable |

Apart from the details as mentioned in the table above, one of our Independent Directors, Padmanabh P. Vora is on the board of National Securities Depository Limited (‘NSDL’). Order and show cause notices, have been issued to NSDL by SEBI, though the same have not been issued to Padmanabh P. Vora.

For further details regarding the aforesaid litigations, refer chapter titled “*Outstanding Litigations, Material Developments and Other Disclosures*” beginning on page 201 of the Draft Red Herring Prospectus.

11. *Any major disaster or outbreak of disease could adversely affect the occurrence of an Event and hence our business operations and financial condition.*

Each event occurs for a span of 3 – 7 days. The occurrence and success of our Event is sensitive to certain external factors, during and prior to the event. Any act of God or otherwise which are beyond our control such as earthquake, fire, floods, other natural calamities, terrorist attacks or health pandemics may cause an interruption / delay / cancellation of our Events. Any such cancellation or delay shall affect our business operations and our financial condition.

12. *We derive a significant portion of our revenues from four key verticals.*

Our four key verticals contribute approximately 89.48% of our revenues as on March 31, 2009. Our revenues are concentrated from these verticals. Any major economic shift or change in business dynamics in these verticals could change the economic scenario and our result of operations. However, the composition and revenue generated from these vertical might shift towards other verticals as we continue to add new expand our portfolio of verticals.

13. *Our Company is operating in multiple industry verticals which may result in reduced focus on key verticals.*

Our Company is operating in multiple industry verticals i.e. 11 and has the necessary people and the skill sets to organize exhibitions across these domains. Although such diversification limits risk of fluctuation in our profitability from business fluctuations in any of these domains, it could also result in reduced focus on one or any key vertical. This may result in loss of existing clientele, risk business continuity and future profitability from such verticals.

14. *We derive a significant portion of our revenues from few key exhibitions.*

Our top four exhibitions consisting of approximately 42 events, contribute approximately 74.53% of our revenues as on March 31, 2009. Any major economic shift or change in business dynamics for companies participating in these exhibitions could change the economic scenario and our result of operations. However, the revenue generated from these exhibitions might reduce as we continue to add new exhibitions and enter new verticals.

15. *We are dependent on our Exhibitions and Events for our income. This may result in fluctuation of our revenues, quarter to quarter basis.*

The business model of our Company at present is mainly oriented towards organising Exhibitions and the revenue tends to fluctuate depending upon the number of Events organised during the financial year. The operations of our Company in a particular quarter largely depend on the number of Events organised and its commercial success. The number of Events varies from quarter to quarter. Hence there could be significant fluctuation in our quarterly results.

16. *Intensive preparatory works and advanced cash payment are required for organizing exhibitions.*

In preparation for an exhibition, our Company carries out various stages of intensive preparatory activities in cooperation with the trade bodies / industry associations, exhibitors, exhibition venue and service providers and other intermediaries of the exhibition industry. More importantly, significant expenses have to be incurred by us for booking of venue, which usually requires a non-refundable deposit to be made upfront for the booking. In the event that the proposed exhibition fails to materialize as intended our business operations, financial resources may be adversely affected.

17. *We depend on various contractors and their sub-contractors for flattening, cleaning of the exhibition venue ground, erecting SPEC etc. Any delay, default or unsatisfactory performance by these third parties may have material adverse effect on our ability to complete, effectively operate our business.*

We depend on the availability and skills of third party contractors and their sub-contractors for the levelling, cleaning of the exhibition venue ground, erecting of SPEC etc. We do not have direct control over the timing or quality of services, or supplies provided by these contractors. We cannot assure you that such contractors will continue to be available at reasonable rates in the areas in which we conduct our operations. We may also be exposed to risks relating to the quality of their services. The contractors and sub-contractors may not be able to obtain adequate working capital or other financing on favourable terms as and when required for completing exhibition. Any delays in services provided to us by our contractors could increase our financing costs and cause our forecasted budget to exceed or may cause our event to be cancelled, which may in turn result in invocation of clauses relating to payment of liquidated damages or penalties.

18. *Our growth will depend on our ability to sustain our exhibition brands and failure to do so will have a negative impact on our ability to compete in this industry.*

We believe that our exhibition brands are well respected and recognised in the market today. Continuing efforts towards building and sustaining our exhibition brands will be critical for the recognition of our services. Promoting and positioning our exhibition brands will depend largely on the success of our marketing efforts and our ability to back that with high quality services. If we fail to promote and maintain our exhibition brands, our business, financial condition and results of operations could be adversely affected.

19. *We operate in a highly competitive and fragmented market.*

We face stiff competition from international / local competitors operating in this market and also from the un-organized players, who provide exhibition services similar to those offered by us. Our major competitors are trade bodies and industry associations who conduct exhibitions for the benefit of their respective industries. Many international players have also entered the market through joint ventures with local players or by setting up their own offices in India. Although, there exist no prima facie substantial entry barriers in the exhibition industry, developing new brands has its own risks and lead time. Further, in India the exhibition industry is highly fragmented with various small organizers, who individually organize very few exhibitions during the year. This increased competition by both associations and international players may affect our margins. Further, the profitability and future growth of our Company may be adversely affected if the competition in the industry increases.

20. *We might face claims / liabilities / suits from our customers should they perceive any deficiency in service or in the event of bodily harm / injury to them during our events organized by us.*

We believe in providing quality customer service and due care is taken while providing services. We attempt to mitigate the associated risks which may happen due to factors beyond our control. We may face financial liabilities or loss of reputation, in the event of accidents / mishaps during our events. While we endeavour to take maximum possible precautions, any mishap, accident or breach of security during the event, which may or may not lead to personal injuries, may take place due to factors which are beyond our control. Occurrence of such events may have an adverse impact on our business operations and financial results.

21. *We may face libel or defamation for print content.*

We rely on our editorial team for the content with respect to our journal and magazines. While we have systems to help ensure that editors duly vet the content before they are published, any failure in those systems may lead to the publishing of defamatory content thereby exposing us and our employees to litigation. Any such litigation may affect our business, revenue and this may affect our profitability.

22. *Disruption or loss of database or data sourced from third parties could adversely affect our business.*

Our business relies on content and data from external sources. Further, we use the services of third parties to maintain our databases. Data is obtained from industry bodies, associations, and other information companies. The disruption or loss of database or data sources in the future, because of changes in the law or because data providers decide not to supply them, could adversely affect our business if we were unable to arrange for substitute sources in a timely manner or at all.

23. *Limited operating history is available to measure our business and financial condition and future prospects.*

Though our Company has limited operating history due to which, there is relatively less information to evaluate our past performance, our Promoters have adequate experience and have been organizing exhibitions since the last one decade.

24. *There is limited historical financial information available related to our company.*

There is only a limited amount of historical financial information available in respect of our business as our Company was incorporated in April 2007 and our first financials were drawn as on March 31, 2008. While we have presented in this Draft Red Herring Prospectus restated financial statements as of and for the two years ended March 31, 2008 and 2009, and for the period ended September 30, 2009, comparison of the half yearly information with the previous full year might not be directly comparable as majority of our Events are held during the six month period from July to December.

25. *The nature of our business is such that a substantial part of our sales are realized during the six month period from July to December. Any substantial decrease in our sales during this period can have a material adverse affect on our financial performance.*

26. *Various trademarks pertaining to our Exhibitions and name / logo of our Company are not registered under the Trade Marks Act, 1999. We have applied for the registration of the same, with the Trade Marks Registry, Mumbai.*

We have filed applications for registering the name and logo of our Company and various other marks pertaining to our exhibitions, under various classes under the Trade Marks Act, 1999 and these applications are pending with the Trade Mark Registry, Mumbai. There can be no assurance that our trade mark applications will be accepted and the trademarks will be registered. Further, our applications for the registration of certain trade marks may be opposed by third parties, and we may have to incur significant cost and spend time in litigations in relation to these oppositions. In the event we are not able to obtain registrations or if any injunctive or other adverse order is issued against us in

respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection and legal remedies (in case of infringement) or prohibit unauthorised use of such mark by third parties by means of statutory protection, available as a proprietor of registered trademarks.

27. ***Our promoters have assigned certain trademarks and copyrights in the name of our Company, which are yet to be registered in our name.***

We are currently using certain trademarks / copyrights in connection with our exhibitions. These trademarks / copyrights currently stand in the name of Asian Business Exhibitions and Conferences the proprietary concern of our Promoter Sumit Mohan Singh Gandhi. Some of these trademarks / copyrights have already been registered and others are pending registration with the relevant authorities; we have applied for assignment of these trademarks / copyrights, in favour of our Company. Any refusal to take cognizance of the change in name of the copyright owner, in favour of our Company may adversely affect the business of our Company.

28. ***Various copyrights pertaining to our Exhibitions are not registered under the Indian Copyright Act, 1957. We have applied for the registration of the same, with the Registrar of Copyrights, Mumbai.***

We have filed applications for registering various copyrights pertaining to our Exhibitions, in the name of our Company and these applications are pending with the Registrar of Copyrights, Mumbai. There can be no assurance that our copyrights applications will be accepted and the copyrights will be registered. In the event we are not able to obtain registrations or if any adverse order is issued against us in respect of any of our copyrights for which we have applied for registration, we may not be able to avail of the legal protection and legal remedies or prohibit unauthorised use of such copyrights by third parties by means of statutory protection, available as a owner of registered copyrights.

29. ***Our subsidiary publishes a magazine under the name and style of “Oil Asia”; we are yet to receive the registration of the said title from the Registrar of Newspapers for India under the Press and Registration of Books Act, 1867.***

Our subsidiary publishes a magazine under the name and style of “Oil Asia”; we have applied for the said title to the Registrar of Newspapers for India under the Press and Registration of Books Act, 1867. The said application is pending registration with the Registrar of Newspapers for India. If we are unable to obtain registration of the title, then we may not be able to publish the magazine under the same title and we may not be able to avail the legal protection and legal remedies (in case of infringement) or prohibit unauthorised use of such title by third parties by means of statutory protection, available as an owner of a registered title. This may adversely effect the publication of our magazine and may affect our result of operations.

30. ***Certain types of risks may not be covered under our existing insurance policies, our insurance coverage may not be sufficient to fully cover us against an insured risk or loss.***

While we believe that we maintain insurance coverage in amounts consistent with industry norms, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

Further, for every Event, though we attempt to limit our liability for damages arising from negligent acts, the indemnities set forth in our contracts and / or our insurance policies may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages.

31. *Some of our Promoter Group Entities are engaged in the business of organising events and exhibitions and there could be a potential conflict of interest with us.*

The main objects of some of our Promoter Group Entities namely New Media 29 Events Private Limited, Asian Business Exhibitions and Conferences - proprietary concern of Sumit Gandhi, Indian Exhibitions & Conferences- proprietary concern of Manish Gandhi, Media Eleven - proprietary concern of Satinder Pal Kaur, Oil Asia Journal- proprietary concern of Surendra Gandhi and Oil Asia Journal (Symposium Division) - proprietary concern of Surendra Mohan Singh Gandhi HUF allows them to have same/similar business as carried out by ABECL. As on the date of the Draft Red Herring Prospectus, these entities are either dormant or have limited business activities. Though, our Company has entered into Business Non Compete Agreements with all the individual Promoters of our Company and Satinder Pal Kaur to address these conflict of interest situations, we cannot assure that they will not get involved in any business which competes with that of our Company in the future. For further details of the agreements, refer to chapter titled “*History and Other Corporate Matters*” beginning on page 99 of the Draft Red Herring Prospectus.

32. *We face certain contractual obligations associated with agreement that we have been entered into with Bennett, Coleman and Company Limited (“BCCL”) with respect to certain events.*

We have entered into an agreement with BCCL in relation to the terms and conditions for organizing and promoting various events during the term of the agreement. Pursuant to this agreement we are required to undertake various activities and have various obligations towards BCCL. If we fail to fulfill our responsibilities and obligations under the agreement or otherwise breach the terms this could lead to cancellation of the agreement in addition to us being liable for breach of the agreement. Any such liability or cancellation could adversely affect our business, results of operations and profitability. For further details, refer to the paragraph titled “*Other Agreements*” beginning on page 102 under the chapter titled “*History and Other Corporate Matters*” of the Draft Red Herring Prospectus.

33. *Our Company has had negative cash flows in a recent fiscal year.*

We had a negative cash flow of Rs. 116.65 lacs for Fiscal 2008 arising from operational activities. Any losses and negative cash flows in the future could adversely affect our results of operations and financial condition. For further details, refer “*Annexure – III*” beginning on page 133 under the section titled “*Financial Statements*” of the Draft Red Herring Prospectus.

34. *Some of our leave and license agreements may have certain deficiencies including inadequate stamping. As a result of which our operations may be impaired.*

Our Company is paying rent in respect of leave and license agreements entered into by them. The leave and license agreements entered into by us may face certain deficiencies such as inadequate stamping or non-registration of lease agreements, the effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings, and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. For details regarding these agreements, refer paragraph titled “*Properties*” beginning on page 89 under chapter titled “*Business Overview*” of the Draft Red Herring Prospectus.

35. *Our statutory auditors had qualified their audit report on our financial statements for Fiscal 2008.*

For Period ended: March 31, 2008: “In our opinion, the Company did not have an internal audit system commensurate with the size and nature of its business.”

For Period ended: March 31, 2009: “Payments of service tax were delayed due to technical reasons and delays in getting professional opinion. According to information and explanation given to us, there was no undisputed amounts payable, other than service tax, on account of the above dues outstanding as on March 31, 2009, for a period of more than six months from the date they become payable, subject to Income-tax which is to be paid at the time of filing the returns.”

36. ***Our revenues are dependent on marketing budget of companies / exhibitors and any reduction in their spending may adversely affect our operations and our financial condition.***

Our Company largely depends upon revenues of the marketing and advertising budget of companies/ exhibitors, who participate in our Events. The marketing and advertising budget may fluctuate depending upon certain general economic and business conditions in the markets, profitability and earnings of our exhibitors. Any reduction in the marketing and advertising budget of companies/ exhibitors may affect the performance of our Company.

37. ***We have not provided for certain contingent liabilities as on September 30, 2009, which if materialize could adversely affect our financial position.***

We have not provided for the following contingent liabilities:

(Rs. in lacs)

| Particulars | Fiscal 2009 Standalone Financials | As at six month ended September 30 , 2009 Standalone and Consolidated Financials |
|--|---|---|
| Entertainment Tax, (Subjudice Matter) | 6.28 | 6.28 |
| Claims against the Company not considered as debts, (Subjudice Matter) | 14.82 | 16.91 |

38. ***Our registered office premise is not owned by us, and have been taken on lease from Surendra Gandhi, a Promoter of our Company. Further, all our properties from where we operate our business have been taken on leave or licence/lease basis.***

Premises used for our Registered Office in Mumbai has been occupied by us on a leave and license basis from one of our Promoters, Surendra Gandhi and the said leave and license agreement is valid till March 31, 2011. The aforesaid agreement has termination clauses, and may be terminated prior to its validity period. There can be no assurance that this agreement would be renewed upon expiry or termination or on terms and conditions acceptable to us. Further, we do not own any property and conduct our business from premises which have been taken on leave and license/ lease basis. Any failure to renew these agreements/ arrangements or procure new premises will increase our costs or force us to look out for alternative premises which may not be available or which may be available at a substantially higher rent. The expiry or termination of the agreement/ arrangements may affect our business operations.

For details regarding this agreement, refer paragraph titled “*Properties*” beginning on page 89 under chapter titled “*Business Overview*” of the Draft Red Herring Prospectus.

39. ***We have entered into a number of related party transactions, which may involve conflict of interest.***

We have entered into a number of related party transactions. Such transactions or any future transactions with related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. For further details, refer statement of related party transactions in “*Annexure - XXII*” beginning on page 151 under the section “*Financial Statements*” of the Draft Red Herring Prospectus.

40. *We may, in the future, enter into strategic alliances, investments, partnerships and acquisitions. These may harm our business, dilute your ownership interest and cause us to incur debt.*

As part of our growth strategy, we may enter into strategic alliances, make strategic investments, establish partnerships and/or make acquisitions relating to our business. We may not be able to identify suitable investment opportunities, partners or acquisition candidates. If we do identify suitable investment opportunities, partners or acquisition candidates, we may have difficulty in accurately assessing the candidates, risks, placing an accurate valuation on it and we may be unable to negotiate terms commercially acceptable or favourable to us or complete those transactions at all. We cannot guarantee that we will be able to arrange financing on acceptable terms, if at all, to complete any such transaction. Investments, partnerships or acquisitions financed by the issuance of our Equity Shares would dilute the ownership interest of our shareholders and debt financing would increase our leverage and financial risks. As of the date of the Draft Red Herring Prospectus, we have no definitive commitment or agreement for any material investment, partnership or acquisition.

41. *We would continue to be controlled by our Promoters after the Issue, and our remaining shareholders would not be able to affect the outcome of various items requiring shareholder voting. Their interests may conflict with your interests as a shareholder.*

Upon completion of the Issue, our Promoters and / or Promoter Group Entities will continue to own 60.28% of our post Issue Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where it is required by applicable laws to abstain from voting. This control could delay, defer, or prevent a change in control in our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage potential acquirers from making an offer or otherwise attempting to obtain control over our Company even if it is in its best interest. Our Promoters may also influence our material policies in a matter that could conflict with the interests of our other shareholders.

42. *We are contemplating a Pre-IPO Placement and the Equity Shares issued pursuant to the Pre-IPO Placement may be at a price lower than the Issue Price.*

We are contemplating a Pre-IPO Placement. The Equity Shares issued to such investors pursuant to the Pre-IPO Placement may be at a price lower than the Issue Price. For further details, refer chapter titled "Capital Structure" beginning on page 21 of the Draft Red Herring Prospectus.

43. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of our Equity Shares.*

Any future equity issuances by us, including in a primary offering, may lead to the dilution of your shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

44. *Our inability to manage growth could disrupt our business and reduce our profitability. We may not be able to sustain effective implementation of our business and growth strategy.*

Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the budgeted cost and timelines. Any inability on our part to manage our growth or implement our strategy effectively could have a material adverse effect on our business, results of operations and financial condition. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or

modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands.

45. ***Our success largely depends upon our Directors and key managerial personnel and our ability to retain them and attract new key personnel when necessary. Any loss of Directors and key managerial personnel could adversely affect our business, operations and financial condition.***

We depend significantly on the expertise, experience and continued efforts of our Directors and our key managerial personnel. If one or more members of our Directors and/ or key managerial personnel are unable or unwilling to continue in his / her present position, it could be difficult to find a replacement. They, collectively have many years of experience in the event organising industry. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. We cannot assure you that we will continue to retain any or all of the key members of our management. The loss of the services of any key member of our management team could have an adverse effect on our business and our results of operation.

We do not maintain keyman insurance for any of our Directors or other key managerial personnel. Any loss of our key personnel or the inability to recruit further key personnel could impede our growth by impairing our day-to-day operations and hinder our development of new projects and our ability to develop, maintain and expand client relationships.

46. ***We have to renew or maintain statutory and regulatory permits and licenses as required to operate our business and any delay or inability to obtain the same may have an adverse impact on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Some of these approvals are granted for fixed periods of time and till completion of specific events. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

There are certain licenses / approvals incidental or ancillary to our business for which we have applied and which are yet to be obtained/for which we are yet to apply. Delay in receipt of such licenses/approvals may adversely affect our business/operations. The licenses/approvals which we have applied for but not received are as follows:

| Applications | Date of Application | Authority before whom pending |
|--|---------------------|---|
| Application made for transfer of the ownership of ABEC Trade Guide in the name of our Company. | November 20, 2009 | Assistant Registrar, RNI, Sub Navi Mumbai |

For further details, refer chapter titled “Government and Other Statutory Approvals” beginning on page 208 of the Draft Red Herring Prospectus.

47. ***Timely availability of venue space to conduct our exhibitions and competition in relation to organizers and other events including common wealth games.***

We compete directly with other exhibition organizers and other large scale events. The occurrence of other events like common wealth games, Asian games, summit etc, requires booking of venues. The venues available for large scale exhibitions and events are limited in India. The supply of venues to conduct large scale exhibitions and events is limited. Any clash of dates with other major events occurring during the same period as our Event may lead to various infrastructure bottlenecks, the major one being non availability of venue or cancellation or postponement of the dates of our Exhibition, even after booking the same, well in advance.

If our competitors were to increase the number of events they conduct or if the dates coincide, while the number of venues remained static, it would be more difficult for us to conduct our events if we have not planned well in advance our dates of events. Failure to conduct such events during peak periods could cause us to miss potentially higher revenues, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

EXTERNAL RISK FACTORS

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

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

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

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

50. *Regional or International hostilities, terrorist attack or other acts of violence of war could have a significant adverse impact on international or Indian financial markets or economic conditions or on Government Policy. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and on the market price of our Company's Equity Shares.*

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

51. *A slowdown in economic growth in India and other unfavourable changes in political and economic factors may adversely affect our business and results of operations.*

Our performance and the quality and growth of our assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect our business. India's economy could be adversely affected by a general rise in interest rates, weather conditions adversely affecting agriculture, commodity and energy prices or various other factors. In addition, the Indian economy is in a state of transition. The share of the services sector of the economy is rising while that of the industrial, manufacturing and agricultural sectors is declining. It is difficult to gauge the impact of these fundamental economic changes on our business. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business.

- 52. *Investors will not receive Equity Shares purchased in this issue until several days after they have paid for them, which will subject them to market risk.***

The Equity Shares purchased in this issue will not be credited to investor's demat account with depository participants until approximately 15 working days from the Bid/Issue closing date. Investors can start trading only after receipt of listing and trading approvals in respect of these Equity Shares which will require additional time after the credit of Equity Shares into Investors demat account. Further, there can be no assurance that Equity Shares allocated will be credited to investor's demat account, or that the trading in Equity Shares will commence, within the time periods specified above.

- 53. *The market value of the Equity Shares may fluctuate due to the volatility of the securities markets.***

The securities markets are volatile and stock exchanges have in the past, experienced substantial fluctuations in the prices of listed securities. The stock exchanges have experienced problems, which, if these were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. The governing bodies of the various Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, time to time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on the market sentiment.

- 54. *Shareholders will bear the risk of fluctuation in the price of Equity Shares.***

The market price of the Equity Shares may be affected by fluctuations in the stock markets and it is impossible to predict whether the price of the Equity Shares will rise or fall. Trading prices of the Equity Shares will be influenced by, among other things, our financial position, the results of operations and political, economic, financial and other factors.

- 55. *Future issues or sales of Equity Shares of our Company may significantly affect the trading price of the Equity Shares.***

Future issue of Equity Shares / convertible instruments by our Company or the disposal of Equity Shares by any of the major shareholders or the perception that such issues or sales may occur may significantly affect trading price of the Equity Shares. Other than the lock-in of Pre-issue capital as prescribed under SEBI ICDR Regulations, none of the shareholders are subject to any lock-up arrangements restricting their ability to issue Equity Shares or the Shareholder's ability to dispose of their Equity Shares, and there can be no assurance that any shareholder will not dispose of, encumber, or pledge, his shares.

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

Any adverse revisions to India's sovereign credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and future financial performance our ability to obtain financing for capital expenditures, and the price of our Equity Shares.

- 57. *The volatility that the Rupee-Dollar exchange rates has witnessed in recent times requires timely and appropriate hedging to avoid any adverse impact on the profitability of our Company.***

The exchange rate between the Indian Rupee and the US Dollar has changed substantially in recent years and may continue to fluctuate substantially in the future. Our operating and financial results would be adversely impacted when the rupee appreciates against dollar/Euro.

NOTES TO RISK FACTORS

- We have not issued any Equity Share within the last twelve months from the date of the Draft Red Herring Prospectus at a price lower than the Issue Price, except the issue of bonus shares as mentioned in the chapter “*Capital Structure*” beginning on page 21 of the Draft Red Herring Prospectus.
- Investors may contact the BRLM or the Compliance officer for any complaint/clarification/information pertaining to the issue. For contact details of the BRLM and the Compliance Officer, refer chapter titled “*General Information*” beginning on page 13 of the Draft Red Herring Prospectus.
- Issue of 56,00,000* Equity Shares of Rs. 10 each at a price of Rs. [●] for cash aggregating Rs. [●] Lacs.

*Our Company is considering a Pre-IPO Placement with certain investors (“Pre-IPO Placement”). The Pre-IPO Placement is at the discretion of the Company. Our Company will complete the issuance, if any, of such Equity Shares prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, then the Issue to the Public will be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue to the Public size of 25% of the post Issue paid up capital being offered to the public.

- Our Company’s pre issue net worth on a standalone basis as at September 30, 2009 was Rs. 1214.78 lacs and our Company’s pre issue net worth on a consolidated basis as at September 30, 2009 was Rs. 1254.69 lacs.
- The average cost of acquisition of per Equity Share by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

| Name of Promoter | Cost of Acquisition (Rs. per Equity Share) |
|------------------|--|
| Surendra Gandhi | 1.57 |
| Sumit Gandhi | 0.47 |
| Manish Gandhi | 0.50 |

- The details of the business interest of our Promoter Group Entities/ Subsidiary are appearing under related party transactions, “*Annexure - XXII*” beginning on page 151 under section titled “*Financial Information*” of the Draft Red Herring Prospectus.
- We have not changed the name of our Company since inception.
- Based on our restated consolidated financial statements, the net asset value per Equity Share having a face value of Rs. 10 each, based on our net worth of Rs. 1254.69 lacs, was Rs. 14.76 as of September 30, 2009 and based on our standalone financial statements the net asset value based on our net worth of Rs. 1214.78 lacs, was Rs. 14.29 as of September 30, 2009.
- During the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, no financing arrangements existed whereby the Promoter Group Entities, our Promoters, our Directors or their relatives have financed the purchase of Equity Shares by any other person.

SECTION III - INTRODUCTION

SUMMARY OF INDUSTRY

Unless otherwise indicated, the information in this section is derived from a combination of various publicly available materials and sources of information and other industry sources. It has not been independently verified by our Company, the Book Running Lead Manager or financial advisors, and no representations are made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness, underlying assumptions and reliability cannot be assured. Accordingly, investment decisions should not be based on such information. Unless otherwise indicated, the figures and amounts in USD herein below have been reproduced and derived from the relevant industry sources. For the purpose of this section, certain numerical information is presented in "millions" and "billions" units. For further details refer the chapter titled "Industry Overview".

INDIAN ECONOMY

The structure of the Indian economy has witnessed extensive developments in the last few years. According to the Indian Ministry of Statistics and Program Implementation, India's Gross Domestic Product (GDP) grew by 7.9% during the second quarter of Fiscal 2010 (the three months ended September 30, 2009) from the same period in the previous year, compared with a growth rate of 6.1% during the first quarter of Fiscal 2010.

Both per capita income and per capita consumption have increased in India over recent years. According to the Economic Survey 2008-2009 published by the Indian Ministry of Finance, per capita income in India during 2008-2009, measured in terms of GDP at constant 1999-2000 market prices, was Rs. 31,278, compared to Rs. 29,901 in 2007-2008. Per capita consumption in 2008-2009 was Rs. 17,344 as against Rs. 17,097 in 2007-2008. The growth in levels of per capita income and consumption has been battered by slowdown in GDP growth because of the global financial crisis. The growth in per capita income decelerated from 8.1% in 2006-2007 to 4.6% in 2008-2009, while the per capita consumption growth declined from 6.9% in 2007-2008 to 1.4% in 2008-2009.

The growth in per capita income and consumption for the period 2002-2003 to 2008-2009 are represented in the following graph:

By contributing nearly 63% of the GDP in 2007-2008, the services sector has been one of the foremost factors for the rapid growth of the Indian economy. The sector has played an increasingly dominant role in the economy accounting for 59.6% of the overall average growth in GDP in the last eight years between 2000-2001 and 2007-2008.

(Source: www.ibef.org)

The services sector has been persistent by growing in the first quarter of 2009-2010. Trade, hotels, transport and communication grew 6.1% in April-June 2009 from a year earlier. Financing, insurance, real estate and business services grew at 7.8% in April-June, 2009 from a year earlier.

(Source: www.ibef.org)

Estimates

According to the pre-Budget Economic Survey 2008-09, India could grow up to 7.5% in 2009-2010 up from 6.7% in 2008-2009, provided the global economic slowdown bottomed out by September and the government is able to implement significant economic policy reforms.

(Source: Pre Budget Economic Survey 2008-2009)

EXHIBITION INDUSTRY

Overview

Exhibition is an event / platform for congregation of exhibitors and visitors with an intention to gather information and meet each other to evaluate and explore business opportunities. Business exhibitions and trade shows are exhibitions held during a limited period of time in which a large number of exhibitors display their product/ technologies / business know how or other services with the ultimate aim of selling to the trade, industry users and bulk buyers. Exhibitions are normally associated and related to a particular industry or group.

An exhibition is one of the various methods to market goods and services in an effective manner and forms an essential component of exhibitors' marketing campaigns. Besides commercial transactions, other opportunities presented by exhibitions include meeting potential clients, customers, competitors and overseas agents. These events are mostly seen as opportunities to gain widespread publicity that eventually aid the introduction of products and services into the market. An exhibition is an excellent venue to market new products, services and technology. Manufacturers and distributors can also use this opportunity to gauge the initial response of potential buyers to these new introductions. Exhibitions are not only places for buying and selling, they act as venues of gaining knowledge and information for all exhibitors. Trade shows present a good chance for distributors to establish new agency possibilities by facilitating contact with manufacturers in the same venue. In the same way, distributors and retailers can expect to secure new sales projects and make sales promotions. Market trends, competitor moves and other forms of information can be subtly observed. Competitive analysis can be performed on the spot due to the display of competitor products and services.

The different types of exhibitions can be categorized on the basis of follows criterion:

| Criteria | Category of Exhibition |
|----------------------|--|
| Nature of exhibition | General v/s. Specialized |
| Type of exhibition | Business 2 Business (B2B) v/s. Business 2 Consumer (B2C) |

General v/s. Specialized Exhibitions

Exhibitions can be generic in nature, catering to various sectors and industries or they can be specialized exhibitions focusing on specific segments. Earlier Exhibitions used to exhibit more generalized products that focused on more than one industry. Market niches evolved as countries became more industrialized, and exhibitions with specialized themes are now conducted to meet the demands of certain market segments and industries.

Specialization is a prevalent trend in the exhibition industry today with the mushrooming of new ideas and content. As the economy matures, themes of exhibitions become more specialized. With a more defined focus, target buyer groups are more pronounced, albeit smaller in size. Themes are coordinated and organized around these selected groups. It is better to focus on a smaller relevant target audience rather than target larger irrelevant / casual visitors. Theme specialization results in a filtering effect that ensures that exhibitors do not waste time and resources focussing on uninterested buyers. Conversely, it may be unviable commercially or otherwise, for a specialized theme exhibition, because of the relatively smaller target audience.

Business 2 Business (B2B) v/s. Business 2 Consumer (B2C)

Business exhibitions can cater to two segments primarily to the business consumer or to the end user. B2C exhibitions, such as consumer fairs, education, real-estate fairs cater to the mass public / end user, whereas B2B exhibitions, such as machinery, construction caters to the business users. It is sometimes hard to differentiate between the two. B2C exhibitions normally have larger attendance, but the area and overall revenues in B2C exhibitions is less than that of a B2B exhibition.

B2B Exhibitions

In India, B2B exhibitions are unique amongst the new and established media in enabling customers, prospects and industry thinkers, to meet face to face. Direct interaction between the buyer and seller with every person having ample choice at the same platform is the key factor that determines the business case and choice of B2B events.

Benefits of B2B Exhibitions:

- It provides a common platform to industry stakeholders like, buyers, sellers, technology providers and analysts to interact with each other.
- Buyers get ample choice to view, test and do a cost benefit analysis of their requirements under one roof.
- The seller receives visibility amongst the buyers and receives a robust sales and marketing platform
- A cost effective mode of showcasing products and services to specific target audience
- Valuable inputs and feedback is received directly from the users
- Develops a cohesiveness amongst industry bodies and members
- Provides the scale and capability to cover an industry segment or sub-segment effectively

B2C Exhibitions

B2C exhibitions directly address the product / service to the end user thus enabling the exhibitor to assess end user preferences. B2C platform is an effective method to analyze consumer behaviour and response to new or existing products / services.

Benefits of B2C Exhibitions:

- Opportunity to directly interact with consumers.
- Buyers get ample choice to view, test and do a cost benefit analysis of their requirements under one roof.
- The seller receives visibility amongst the buyers and receives a robust sales and marketing platform.
- Pro-active buyers evaluate the latest industry developments
- Valuable inputs and feedback is received directly from the end users / customers
- Face to face communication to build customer relationships

SUMMARY OF BUSINESS

Any reference to “We” in this section collectively refers to our Company and Oil Asia Publication Private Limited.

Overview

Our Company is the ‘largest domestic organizer’ in the Indian exhibition market, having ~6% market share, a portfolio of around 19 exhibitions consisting of ~63 events and spread over 11 verticals. We organize a gamut of exhibitions and events ranging from exhibitions, trade fairs to conferences across India.

(Source: ExhiConEvents, ‘India’s only Magazine on Exhibitions & Events’, VOL – 6, Issue 1, January - 2010)

We organize our own exhibitions and specialize in planning, organising and hosting exhibitions / events from conceptualization to completion. We currently organize a number of exhibitions having pan India presence, including ACETECH, Education Boutique, Education Expo, Education Forum, Property Expo, Realty Expo, Business Spaces, IORS, Glitter, Glamour, Asia IT Expo, AV Revolution.

We own and manage more than 60 Events and industry specific trade shows annually, all over India, for a diverse range of businesses. Our Company and the group have over 15 years of experience in organizing B2B exhibitions of various sizes and scales across India. While our B2B exhibitions cover a broad range of verticals/segments ranging from infrastructure (architecture, construction, building materials), information technology, audio visual products, real estate and property, textiles machinery, printing technology, paper & packaging machinery, as well as safety and fire prevention; our B2C exhibitions are targeted towards the masses and provide a platform to the exhibitors to interact directly with their customers. Our B2C exhibitions cover segments such as real estate, education, high end consumer products (Jewellery, bridal designer wear, fashion wear).

Our core expertise includes:

- Conceptualizing new ideas and themes around which exhibitions can be organized
- Enlisting support and association of relevant trade bodies and industry associations
- Marketing the exhibition to relevant exhibitors (Clients)
- Attracting relevant visitors through adequate publicity and advertisement to make exhibition a success.
- Hosting the exhibition

We publish trade journals and trade guides that support and compliment our exhibition business. ‘Oil Asia’ magazine, published by our 100% subsidiary, Oil Asia Publication Private Limited, is a bi-monthly magazine on oil & gas, petrochemicals, energy and power sector. Oil Asia Journal has been publishing this magazine since the last two decades. Our Company also publishes ‘ABEC Trade Guide’, a B2B focused monthly magazine, which brings exhibition related data on products, trends and other trivia. The publication features articles, which include information on subjects as diverse as jewellery or construction or safety and security products. It also contains a variety of informative advertisements on various products and services.

Our standalone total income for the financial year ended March 31, 2008, March 31, 2009 and six months period ended on September 30, 2009 was Rs. 2,756.79 lacs, Rs. 4,564.28 lacs and Rs. 1,517.12 lacs respectively. Our consolidated total income for the half year ended September 30, 2009 was Rs. 1,623.05 lacs. Our standalone profit after tax for the financial year ended March 31, 2008, March 31, 2009 and six months period ended on September 2009 was Rs. 239.92 lacs, Rs. 496.01 lacs and Rs. 380.41 lacs respectively. Consolidated profit after tax for the half year ended September 30, was Rs. 421.26 lacs.

Our Competitive Strengths

We believe that our competitive strengths are:

An established brand name with a reputation of quality exhibitions

Our Promoters have been organizing exhibitions under the brand name of 'Asian Business Exhibitions and Conferences' for over 6 years. They have been organizing fairs, conferences and corporate launches since 1994 thus have an experience of over one and a half decade in conducting the said business. Hence, we believe we have established a reputed brand name in the exhibition industry due our organizing capabilities and scalability of our exhibitions. We believe customers identify us as a brand synonymous in India with international standards services quality. As a result, we enjoy customer confidence, enhancing our ability to promote new ideas for exhibitions. We believe that our brand gives us a competitive advantage and the faith which exhibitors repose on us that allows us to command and provide premium services, when entering new markets and new verticals.

From 'Concept' to 'Completion'

We are in the field of organizing exhibitions. We not only host the exhibition but initiate from conceptualizing new themes, conducting a market survey, organizing seminars – discussions by inviting well known people from the relevant industry, marketing the exhibition, creating awareness about the event through promotions, hosting the event and finally completing the event by obtaining feedback of exhibitors and participants.

Innovativeness

Our Company has always focused on conducting exhibitions in new verticals thereby tapping new markets and de-risking our business model. We believe in doing exhibitions which are focused on certain segments and have the requisite growth potential. We further seek to derisk ourselves by moving across the value chain. Similarly building SPEC would insulate us from infrastructure bottlenecks and will provide us greater flexibility to organize our exhibition. Acquisition of new exhibitions will help us in straddling across more verticals. We believe that the success and scalability of our exhibitions lie in innovative themes and ideas that drive more business visitors and exhibitors to our exhibitions.

Relationship with customers

The quality of customer service is the key element for a successful exhibition. We have built robust relationship and confidence with customers through our ability to provide them with comprehensive services and quality exhibitions to meet their relevant customers. For our Company, experience of the exhibitor and the visitor is of utmost importance. We continuously monitor and improve our service quality to ensure high exhibitor participation and relevant visitor turnout. We conduct surveys with exhibitors after each exhibition for their feedback, which is then incorporated in the next year's event. This relationship also helps us in guiding through the technical and knowledge intensive part of exhibition.

Diversified customer base

We have a well diversified customer / exhibitor base. We have over 1,500 exhibitors participating in our Exhibitions and Events across different verticals. Our revenues are not concentrated from a certain set of exhibitors. Our top 10 customers contributed only 17.33% of our revenues for Fiscal 2009.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth selected historical financial information of our Company derived from its restated standalone and consolidated financial information for Fiscal 2009 and 2008 and six months period ended September 30, 2009. The restated standalone and consolidated summary of financial information presented below should be read in conjunction with the restated financial information included in the Draft Red Herring Prospectus, the notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations.

STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

| Particulars | <i>(Rs. in lacs)</i> | | |
|---|-------------------------|-------------------------|-----------------------------|
| | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
| A) Fixed Assets | | | |
| Gross Block | 43.02 | 92.15 | 93.69 |
| Less: Accumulated depreciation / amortisation | (4.62) | (23.36) | (31.76) |
| Net Block | 38.41 | 68.79 | 61.93 |
| B) Investments | | | |
| | - | 0.00 | 27.20 |
| C) Current assets, loans and advances | | | |
| Receivables | 220.39 | 170.37 | 373.04 |
| Cash and bank balances / Book overdraft | (59.67) | 485.00 | 1,417.39 |
| Loans and advances | 472.85 | 1,039.63 | 1,324.42 |
| Other Current Assets | 301.82 | 135.57 | 13.05 |
| Total Current Assets, Loans & Advances | 935.39 | 1,830.57 | 3,127.91 |
| Total Assets (A+B+C) | 973.80 | 1,899.36 | 3,217.05 |
| D) Liabilities, Provisions and Loan funds: | | | |
| Secured loans | - | 26.36 | 22.76 |
| Deferred tax liability | 1.33 | 0.80 | 0.20 |
| Current liabilities & provisions | | | |
| Current Liabilities | 499.16 | 619.12 | 1,370.54 |
| Provisions | 135.26 | 418.81 | 608.77 |
| Total liabilities, provisions and loan funds | 635.75 | 1,065.09 | 2,002.27 |
| Net worth (A+B+C-D) | 338.05 | 834.27 | 1,214.78 |
| Net worth represented by Shareholder funds:- | | | |
| Equity Share capital | 100.00 | 100.00 | 850.00 |
| Reserve & surplus | 239.92 | 735.93 | 366.34 |
| Less:- Miscellaneous expenditure not written off | (1.88) | (1.67) | (1.56) |
| Net Worth | 338.05 | 834.27 | 1,214.78 |

STANDALONE SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED
(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|--|---------------------------------|---------------------------------|--|
| INCOME | | | |
| Income from operations | 2,748.81 | 4,514.35 | 1,493.10 |
| Other income | 7.98 | 49.93 | 24.02 |
| Total income | 2,756.79 | 4,564.28 | 1,517.12 |
| EXPENDITURE | | | |
| Cost of operations | 2,048.55 | 3,150.75 | 660.24 |
| Salary expenses | 211.41 | 281.94 | 172.07 |
| Administrative and other expenses | 115.52 | 177.35 | 98.33 |
| Interest & finance charges | 5.98 | 17.19 | 1.69 |
| Miscellaneous expenditure written off | 0.21 | 0.21 | 0.10 |
| Depreciation / amortisation | 4.62 | 19.31 | 8.40 |
| Total expenditure | 2,386.28 | 3,646.75 | 940.83 |
| Profit before tax, extraordinary and prior period items | 370.51 | 917.53 | 576.29 |
| Extraordinary Losses | - | (152.26) | - |
| Profit before tax | 370.51 | 765.27 | 576.29 |
| Provision for taxation | | | |
| - Income tax | 126.66 | 265.91 | 196.49 |
| - Deferred tax liability (assets) | 1.33 | (0.53) | (0.60) |
| - Fringe benefit tax | 2.60 | 3.89 | - |
| Restated Net Profit After Tax | 239.92 | 496.01 | 380.41 |
| Balance brought forward from last year | - | 239.92 | 735.93 |
| Appropriations | | | |
| Issue of Bonus shares | - | - | (750.00) |
| Balance carried over to balance sheet | 239.92 | 735.93 | 366.34 |

STANDALONE SUMMARY STATEMENT OF CASH FLOW, AS RESTATED

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|---|---------------------------------|---------------------------------|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit before tax and extra ordinary items, as restated | 370.51 | 917.53 | 576.29 |
| Add: | | | |
| Depreciation / amortisation | 4.62 | 19.31 | 8.40 |
| Miscellaneous expenditure written off | 0.21 | 0.21 | 0.10 |
| Loss on disposal of fixed assets | - | 1.49 | - |
| Loss on Extraordinary items | - | (152.26) | - |
| Interest income | - | (38.80) | (21.73) |
| Interest expenses | - | 3.41 | 2.22 |
| Operating profit before working capital changes | 375.34 | 750.89 | 565.29 |
| Adjustment for changes in Working Capital : | | | |
| Decrease/(increase) in Receivables | (220.39) | 50.02 | (202.67) |
| Decrease/(increase) in loan & advances | (662.93) | (228.40) | 50.43 |
| Increase/(decrease) in sundry creditors & other liabilities | 505.16 | 127.07 | 751.01 |
| Miscellaneous expenditure incurred | (2.08) | - | - |
| Cash Generated from Operations | (4.91) | 699.58 | 1,164.06 |
| Less : Direct tax paid | (111.74) | (172.13) | (219.72) |
| Net cash from/(used in) operating activities (A) | (116.65) | 527.45 | 944.34 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of fixed assets | (43.02) | (53.18) | (1.55) |
| Sale of fixed assets | - | 2.00 | - |
| Purchase of investments | - | (0.00) | (27.20) |
| Interest received | - | 38.80 | 21.73 |
| Net Cash from/(used in) investing activities (B) | (43.02) | (12.38) | (7.02) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds from issuance of shares | 100.00 | - | - |
| Proceeds from secured borrowings | - | 37.80 | - |
| Repayment of borrowings | - | (4.79) | (3.23) |
| Interest expenses | - | (3.41) | (1.69) |
| Net Cash from/(used in) financing activities (C) | 100.00 | 29.60 | (4.92) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (59.67) | 544.67 | 932.39 |
| Opening cash and cash equivalents | - | (59.67) | 485.00 |
| Closing cash and cash equivalents | (59.67) | 485.00 | 1,417.39 |
| Components of closing cash & cash equivalents | | | |
| Cash in hand | 6.23 | 67.92 | 69.38 |
| Balance with scheduled bank / Book Overdraft | (65.90) | 417.08 | 1,348.02 |

CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. in lacs)

| Particulars | As at September 30, 2009 |
|--|--------------------------|
| A) Fixed Assets | |
| Gross Block | 95.08 |
| Less: Accumulated depreciation / amortisation | 32.17 |
| Net Block | 62.90 |
| B) Investments | 0.00 |
| C) Current assets, loans and advances | |
| Receivables | 397.95 |
| Cash and bank balances | 1,476.62 |
| Loans and advances | 1,324.64 |
| Other Current Assets | 13.05 |
| Total Current asset, loans and advances | 3,212.26 |
| Total Assets | 3,275.17 |
| D) Liabilities, provisions and Loans | |
| Loan funds : | |
| Secured Loans | 22.76 |
| Deferred tax liability | 0.29 |
| Current liabilities and provisions | |
| Current Liabilities | 1,369.29 |
| Provisions | 628.14 |
| Total Liabilities, provisions and Loans | 2,020.49 |
| Net worth (A+B+C-D) | 1,254.69 |
| Net Worth represented by:- | |
| Shareholders funds | |
| Equity Share Capital | 850.00 |
| Reserve & surplus | 407.17 |
| Less:- Miscellaneous expenditure not written off | 2.48 |
| Net worth | 1,254.69 |

**CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT, AS
RESTATED**

(Rs. in lacs)

| Particulars | Year ended September 30, 2009 |
|--|--|
| INCOME | |
| Income from operations | 1,599.03 |
| Other income | 24.02 |
| Total | 1,623.05 |
| EXPENDITURE | |
| Cost of operations | 700.58 |
| Salary expenses | 177.23 |
| Administrative and other expenses | 98.92 |
| Interest & finance charges | 2.09 |
| Miscellaneous expenditure written off | 0.17 |
| Depreciation / amortisation | 8.48 |
| Total | 987.45 |
| Profit before tax and prior period items | 635.60 |
| Provision for taxation | |
| - Income tax | 214.92 |
| - Deferred tax liability(assets) | (0.58) |
| Restated Net Profit After Tax and before minority interest | 421.26 |
| Less: Restated profit transferred to minority interest | - |
| Restated Net Profit After Tax after minority interest | 421.26 |
| Balance in profit and loss account brought forward from previous years | 762.10 |
| Appropriations | |
| Bonus issue of shares | (750.00) |
| Balance carried over to Balance Sheet | 433.37 |

CONSOLIDATED SUMMARY STATEMENT OF CASH FLOW, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|---|-----------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | |
| Profit before tax and extra ordinary items, as restated | 635.60 |
| Add: | |
| Depreciation / amortisation | 8.48 |
| Miscellaneous expenditure written off | 0.17 |
| Interest income | (21.73) |
| Interest expenses | 2.22 |
| | - |
| Operating profit before working capital changes | 624.73 |
| | - |
| Adjustment for changes in Working Capital : | |
| Decrease/(increase) in sundry debtors | (226.54) |
| Decrease/(increase) in loan & advances | 86.24 |
| Increase/(decrease) in sundry creditors & other liabilities | 725.81 |
| Cash Generated from Operations | 1,210.24 |
| Less : Direct tax paid | (219.72) |
| Net cash from/(used in) operating activities (A) | 990.52 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | |
| Purchase of fixed assets | (1.55) |
| Purchase of investments | (27.20) |
| Interest received | 21.73 |
| Net Cash from/(used in) investing activities (B) | (7.02) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | |
| Repayment of borrowings | (4.46) |
| Interest expenses | (1.69) |
| Net Cash from/(used in) financing activities (C) | (6.15) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 977.35 |
| Opening cash and cash equivalents | 499.27 |
| Closing cash and cash equivalents | 1,476.62 |
| Components of cash & cash equivalents | |
| Cash in hand | 75.18 |
| Balance with scheduled bank | 1,401.45 |

THE ISSUE

| Issue Details | |
|--|--|
| Public Issue of Equity Shares * | 56,00,000 Equity Shares aggregating Rs. [●] lacs |
| Of which: | |
| A. Qualified Institutional Buyers Portion | At least 28,00,000 Equity Shares aggregating Rs. [●] lacs, constituting at least 50% of the Issue size |
| of which | |
| Available for Mutual Funds only | 1,40,000 Equity Shares aggregating Rs. [●] lacs, constituting 5% of the QIB Portion |
| Balance OF QIB portion (available for all QIBs including Mutual Funds) | 26,60,000 Equity Shares aggregating Rs. [●] lacs |
| B. Non Institutional Portion** | Not less than 8,40,000 Equity Shares aggregating Rs. [●] lacs, constituting not less than 15% of the Issue size |
| C. Retail Portion** | Not less than 19,60,000 Equity Shares aggregating Rs. [●] lacs constituting not less than 35% of the Issue size |
| Equity Shares outstanding prior to the Issue | 85,00,000 Equity Shares |
| Equity Shares outstanding after the Issue | 1,41,00,000 Equity Shares |
| Use of Proceeds | Refer chapter titled “Objects of the Issue” beginning on page 28 of the Draft Red Herring Prospectus for information on use of Issue proceeds. |

* Our Company is considering a Pre-IPO Placement with certain investors (“Pre-IPO Placement”). The Pre-IPO Placement is at the discretion of the Company. Our Company will complete the issuance, if any, of such Equity Shares prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, then the Issue to the Public will be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue to the Public size of 25% of the post Issue paid up capital being offered to the public.

** In case of under - subscription in the Issue (subject to at least 50% Allotment of the Issue size to QIBs), spillover to the extent of under - subscription shall be permitted from other categories or a combination of categories in the Issue at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. Such inter-se spillover, if any, would be effectuated in accordance with applicable laws, rules, regulations and guidelines.

GENERAL INFORMATION

Our Company was incorporated as ASIAN BUSINESS eXHIBITION & CONFERENCES LIMITED, a public limited company in Mumbai on April 10, 2007 under the Companies Act, 1956. On May 1, 2007 we received our Certificate of Commencement of Business.

Registered Office of our Company

Asian Business Exhibition & Conferences Limited

530, Laxmi Plaza
Laxmi Industrial Estate
Andheri-West
Mumbai- 400053
Maharashtra,
India.
Tel. No.: +91 22 4050 4900
Fax No.: +91 22 2636 7676
Compliance Officer: Pravin N. Patil
E-mail: ipo@abcindia.biz
Website: www.abcindia.biz

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai with Registration Number 169832 of 2007-2008 and CIN U74900MH2007PLC169832.

The address of the RoC is as follows:

Registrar of Companies Maharashtra, Mumbai

Everest Building
100, Marine Drive
Mumbai – 400 002
Maharashtra
India.

Board of Directors

Our Board of Directors as on the date of filing the Draft Red Herring Prospectus with SEBI is as follows:

| Sr. No. | Name | Designation | Nature of Directorship | DIN |
|---------|-----------------------------|------------------------------|------------------------|----------|
| 1. | Surendra Mohan Singh Gandhi | Chairman & Managing Director | Executive | 02018118 |
| 2. | Sumit Mohan Singh Gandhi | Whole Time Director | Executive | 01972728 |
| 3. | Manish Mohan Singh Gandhi | Whole Time Director | Executive | 02440261 |
| 4. | Padmanabh P. Vora | Additional Director | Independent | 00003192 |
| 5. | Shri Bhagwan Agarwal | Additional Director | Independent | 00524452 |
| 6. | Satyanarayanrao Dasika | Additional Director | Independent | 02902675 |

For a detailed profile of our Board of Directors, refer chapter titled “Our Management” and “Our Promoters” beginning on pages 105 and 124 respectively of the Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Pravin N. Patil is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Pravin N. Patil

530, Laxmi Plaza
Laxmi Industrial Estate
Andheri-West
Mumbai- 400053
Maharashtra,
India.

Tel. No.: +91 22 4050 4900

Fax No.: +91 22 2636 7676

Email: ipo@abcindia.biz

Investors can contact the Compliance Officer and / or the Registrar to the Issue and/or the Book Running Lead Manager to the Issue i.e. Anand Rathi Advisors Limited, in case of any pre-Issue or post-Issue problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

ISSUE MANAGEMENT TEAM***Book Running Lead Manager*****Anand Rathi Advisors Limited**

11th Floor, Times Tower, Kamala City
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
India

Tel. No.: +91 22 4047 7000

Fax No: +91 22 4047 7070

Email: abecl.ipo@rathi.com

Website: www.rathi.com

Contact Person: Akshay Bhandari / Gaurav Lohiya

SEBI Registration No.: MB / INM000010478

Registrar to the Issue**Karvy Computershare Private Limited**

Plot nos.17-24, Vittal Rao Nagar,
Madhapur,
Hyderabad – 500 081

Tel. No.: +91-40-2342 0815-28

Fax: +91-40-2343 1551

E-mail: abecl.ipo@karvy.com

Website : <http://karisma.karvy.com>

SEBI Registration Number: INR000000221

Contact Person : Murali Krishna

Legal Advisors to the Issue**M/s. Crawford Bayley & Co.**

Advocates & Solicitors
State Bank Buildings, 4th floor,
N. G. N. Vaidya Marg,
Fort, Mumbai - 400 023,
Maharashtra, India

Tel: +91-22-2266 8000
Fax: +91-22-2266 3978
E-mail: sanjay.asher@crawfordbayley.com

Statutory Auditors**R. Sanghvi and Co.**

Chartered Accountants
104, Rizvi Chambers,
No: 2 Jain Mandir Marg,
Hill Road, Bandra (W),
Mumbai- 400 050,
India

Tel No.: +91 22 2645 0489 / 2643 7221
Fax.: +91 22 2642 0650
E-mail: rajesh_sang@rediffmail.com

Bankers To The Issue

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

Syndicate Members

The Syndicate Members will be appointed prior to filing the Red Herring Prospectus with RoC.

Self Certified Syndicate Banks

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

Brokers to this Issue

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

BANKERS TO OUR COMPANY

| Dena Bank | Development Credit Bank Limited |
|--|---|
| Manish Nagar Branch 5/6, Manish Nagar, J. P. Road, Andheri West Mumbai – 400 053 India | Lokhandwala Complex Branch 4/5, Apna Ghar, Swami Samarth Nagar, Andheri West Mumbai – 400 053 India |
| Tel. No.: +91 22 2635 3084 Fax No.: +91 22 2635 3404 Contact Person: Deshmukh E-mail: manish@denabank.co.in | Tel. No.: +91 22 2632 3907 Fax No.: +91 22 2633 8510 Contact Person: Saurabh Singh E-mail: saurabhs@dcbl.com |

Tamilnad Mercantile Bank Limited

25-27, Ground Floor, Laxmi Plaza,
Laxmi Industrial Estate,
New Link Road, Andheri West
Mumbai – 400 053
India

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Responsibilities of the BRLM

Since Anand Rathi Advisors Limited is the sole Book Running Lead Manager to the Issue, all the responsibilities of the Issue will be managed by them.

Credit Rating

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

IPO Grading

This Issue has been graded by [●], a SEBI registered IPO grading agency, as [●], indicating [●] fundamentals. The rationale / description furnished by the IPO grading agency will be updated at the time of filing the Red Herring Prospectus with the RoC.

Experts

Except the report of [●] in respect of the IPO grading of this Issue annexed herewith, the Company has not obtained any expert opinions.

Trustees

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

Monitoring Agency

A monitoring agency is not required to be appointed in terms of sub-regulation (1) of Regulation 16 of the SEBI ICDR Regulations. The Board of Directors of our Company will monitor the use of the proceeds of this Issue.

Project Appraisal

The objects of this Issue have not been appraised by any agency. The objects of this Issue and means of finance therefore are based on internal estimates of our Company.

Book Building Process

Book Building refers to the process of collection of Bids from investors on the basis of the Draft Red Herring Prospectus, which is based on the Price Band. The Issue Price is fixed after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- (1) Our Company,
- (2) Book Running Lead Manager in this case being Anand Rathi Advisors Limited,
- (3) Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The BRLM shall appoint the Syndicate Members,
- (4) Registrar to this Issue, and
- (5) Escrow Collection Bank(s).
- (6) SCSBs

The SEBI ICDR Regulations, have permitted an issue of Equity Shares to the public through the Book Building Process, wherein at least 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (QIBs) including upto 5 % of the QIB portion that 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. 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.

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

QIBs are not allowed to withdraw their Bid after the Bid/ Issue Closing Date and are required to pay at least 10% Margin Amount upon submission of their Bid. For further details, refer to the chapters titled “Terms of the Issue” and “Issue Procedure” beginning on pages 221 and 228, respectively, of the Draft Red Herring Prospectus.

All the Bidders (except QIB Bidders) have the option to submit their Bids under the “ASBA Process”, which would entail blocking of funds in the investor’s bank account rather than immediate transfer of funds to the respective Escrow Accounts. For details, refer paragraph titled “Issue Procedure for ASBA Bidders” beginning on page 259 of the Draft Red Herring Prospectus under chapter titled “Issue Procedure”.

Steps to be taken by the Bidders for bidding:

- Check eligibility for making a bid (for further details, refer to the paragraph on ‘Who can Bid’ beginning on page 229 of the Draft Red Herring Prospectus);
- Bidders necessarily need to have a demat account and ensure that the demat account details are correctly mentioned in the Bid Cum Application Form / ASBA Bid Cum Application Form;
- Ensure that you have mentioned your PAN in the Bid Cum Application Form / ASBA Bid Cum Application Form. In accordance with the SEBI Rules and Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (refer chapter titled “Issue Procedure” on page 228 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.
- Ensure that the Bid Cum Application Form is duly completed as per instructions given in the Draft Red Herring Prospectus and in the Bid Cum Application Form;
- **Bids by QIBs will only have to be submitted to the BRLM**

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

| Number of Equity Shares Bid for | Bid Price (Rs.) | Cumulative Equity Shares Bid for | Subscription |
|---------------------------------|-----------------|----------------------------------|--------------|
| 500 | 240 | 500 | 16.67% |
| 1000 | 230 | 1500 | 50.00% |
| 1500 | 220 | 3000 | 100.00% |
| 2000 | 210 | 5000 | 166.67% |
| 2500 | 200 | 7500 | 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.*, Rs. 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 Rs. 220. All bids at or above this issue price and cut off bids are valid bids and are considered for Allocation in respective category.

Bid / Issue Period

| | |
|------------------------------|-----|
| BID / ISSUE OPENS ON | [•] |
| BID / ISSUE CLOSES ON | [•] |

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 3.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid/Issue Closing Date, Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders and Non Institutional Bidders and (ii) until 5.00 p.m. or such extended time as permitted by BSE and NSE, in case of Bids by Retail Individual Bidders. It is clarified that Bids not uploaded in the book, would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by BSE and NSE.

In case of discrepancy of data between the Stock Exchanges and the Designated Branches of the SCSBs, the decision of the Registrar to the Issue, in consultation with the BRLM, our Company and the Designated Stock Exchange, based on the physical / electronic records, as the case may be, of the ASBA Bid cum Application Forms shall be final and binding on all concerned. Further, the Registrar to the Issue may ask for rectified data from the SCSB.

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

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

The 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. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price.

In case of revision in the Price Band, the Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the SCSBs, Stock Exchanges, by issuing a public notice in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the regional language, and also by indicating the change on the websites of the BRLM, SCSBs and at the terminals of members of the Syndicate. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [●] Equity Shares subject to the Bid Amount payable on such minimum application being in the range of Rs. 5,000 to Rs. 7,000.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date / deciding not to proceed with the Issue, providing reasons for not proceeding with the Issue. Our Company shall also promptly inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed. Any further issue of Equity Shares by our Company shall be in compliance with applicable laws. If the Issue is withdrawn after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the Board.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the 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 Bid/Issue Closing Date.

Underwriting

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

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

| Name and Address of the Underwriters | Indicated Number of Equity Shares to be Underwritten | Amount Underwritten (Rs. in lacs) |
|--------------------------------------|--|-----------------------------------|
| [•] | [•] | [•] |
| [•] | [•] | [•] |
| Total | [•] | [•] |

(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 determination of the Issue Price and actual Allocation of the Equity Shares.

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 Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board of Directors / committee thereof, as its meeting held on [•], has accepted and entered into the underwriting agreement, mentioned above on behalf of our Company.

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

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in this Issue. The underwriting agreement shall list out the role and obligations of each Syndicate Member and inter-alia contain a clause stating that margin collected from categories other than qualified institutional buyers shall be uniform across the BRLM(s) or syndicate members for each such category, indicating the percentage to be paid as margin by the investor at the time of bidding.

CAPITAL STRUCTURE

The capital structure of our Company as on the date of filing of the Draft Red Herring Prospectus is as set forth below:

| Share Capital as on the date of filing of the Draft Red Herring Prospectus | Amount in Rs. | |
|--|----------------------------------|--------------------------------|
| | Aggregate Value at Nominal Value | Aggregate Value at Issue Price |
| A. Authorised Capital | | |
| 2,50,00,000 Equity Shares of Rs. 10 each | 25,00,00,000 | |
| B. Issued, Subscribed and Paid-Up Capital before this Issue | | |
| 85,00,000 Equity Shares of Rs. 10 each | 8,50,00,000 | |
| C. Present Issue in terms of the Draft Red Herring Prospectus | | |
| Public Issue of 56,00,000* Equity Shares of Rs. 10 each | 5,60,00,000 | [●] |
| Of which | | |
| QIB portion of at least 28,00,000# Equity Shares ** | 2,80,00,000 | [●] |
| Mutual Fund portion is 1,40,000 Equity Shares | | |
| Other QIBs, including Mutual Funds, is 26,60,000 | | |
| Non Institutional portion of not less than 8,40,000 Equity Shares ** | 84,00,000 | [●] |
| Retail portion of not less than 19,60,000 Equity Shares ** | 1,96,00,000 | [●] |
| D. Issued, Subscribed and Paid-Up Capital after this Issue | | |
| 1,41,00,000 Equity Shares of Rs. 10 each | 14,10,00,000 | [●] |
| E. Securities Premium Account | | |
| Before this Issue | | Nil |
| After this Issue*** | | [●] |

* Our Company is considering a Pre-IPO Placement of with certain investors ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of the Company. Our Company will complete the issuance, if any, of such Equity Shares prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, then the Issue will be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid up capital being offered to the public.

5% of the QIB portion, i.e. 1,40,000 Equity Shares, are available for Allocation on a proportionate basis to Mutual Funds, 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, Under-subscription, if any, in any portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

*** The Securities Premium Account after the Issue will be determined after Book Building Process.

Our Company has no outstanding convertible instruments.

The present Issue has been authorised by the Board of Directors in their meeting on September 26, 2009, and by the shareholders of our Company at the Extraordinary General Meeting held on September 30, 2009.

Details of changes in Authorised Share Capital since incorporation

The initial authorised share capital of Rs. 1,00,00,000 comprising of 10,00,000 Equity Shares of Rs. 10 each, was increased to Rs. 25,00,00,000 consisting of 2,50,00,000 Equity Shares of Rs. 10 each, pursuant to a resolution of our shareholders at the Annual General Meeting held on September 25, 2009.

Notes to the Capital Structure

1. Share Capital History of our Company

| Date of Allotment of the Equity Shares | No. of Equity Shares | Cumulative Number of Shares | Face Value | Issue Price | Nature of payment /consideration | Reasons for Allotment | Cumulative Paid-up Capital (Rs.) |
|--|----------------------|-----------------------------|------------|-------------|----------------------------------|--|----------------------------------|
| April 12, 2007 | 10,00,000 | 10,00,000 | 10 | 10 | Cash | Subscribers to Memorandum ¹ | 1,00,00,000 |
| September 26, 2009 | 75,00,000 | 85,00,000 | 10 | - | Bonus (7.5 : 1) | Bonus ² | 8,50,00,000 |

¹ Initial Allotment to Subscribers to the Memorandum of Association of the Company. 1,60,000 Equity Shares each to Surendra Gandhi, Sumit Gandhi, Manish Gandhi, Satinder Pal Kaur, Bulbeer Kaur, Mandeep Gandhi and 40,000 Equity Shares to Charan Bir Singh Ranotra.

² Bonus issue in the ratio of 7.5 Equity Share for every 1 Equity Share held, by way of capitalization of profit and loss account to the tune of Rs.7,50,00,000. Allotment of 9,00,000 Equity Shares to Surendra Gandhi, 30,00,000 Equity Shares to Sumit Gandhi, 28,49,250 Equity Shares to Manish Gandhi, 6,00,000 Equity Shares to Satinder Pal Kaur, 75,000 Equity Shares to Bulbeer Kaur, 75,000 Equity Shares to Mandeep Gandhi and 750 Equity Shares to Charan Bir Singh Ranotra.

None of the Equity Shares have been issued for consideration other than cash. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391-394 of the Companies Act, 1956. No bonus shares have been issued by capitalizing any revaluation reserve. Our Company has not made any issue of Equity Shares during the preceding one year from the date of the Draft Red Herring Prospectus at a price lower than the Issue price.

2. Details of Build up, Contribution and Lock-In of Promoters and Promoter Group

a. Capital built up of Promoters

| Name of the Promoter | Date of Allotment / acquisition / transaction and when made fully paid up | Consideration (cash, bonus, consideration other than cash) | Number of Equity Shares | Face Value per Equity Share (in Rs) | Issue/ Transfer price per Equity Share (in Rs.) | Nature of Transaction (Allotment/ Transfer) | % of pre-Issue share capital | % of post-Issue share capital |
|----------------------------|---|--|-------------------------|-------------------------------------|---|---|------------------------------|-------------------------------|
| Surendra Gandhi | April 12, 2007 | Cash | 1,60,000 | 10 | 10 | Subscription to Memorandum | 1.88 | 1.13 |
| | October 14, 2008 | Gift | (40,000) | 10 | - | Gifted ¹ | (0.47) | (0.28) |
| | September 26, 2009 | Bonus | 9,00,000 | 10 | - | Bonus allotment | 10.59 | 6.38 |
| | TOTAL (A) | | 10,20,000 | | | | 12.00 | 7.23 |
| Sumit Gandhi | April 12, 2007 | Cash | 1,60,000 | 10 | 10 | Subscription to Memorandum | 1.88 | 1.13 |
| | October 14, 2008 | Gift | 40,000 | 10 | - | Received as Gift ² | 0.47 | 0.28 |
| | October 14, 2008 | Gift | 20,000 | 10 | - | Received as Gift ³ | 0.24 | 0.14 |
| | October 14, 2008 | Gift | 1,50,000 | 10 | - | Received as Gift ⁴ | 1.76 | 1.06 |
| | October 14, 2008 | Gift | 30,000 | 10 | - | Received as Gift ⁵ | 0.35 | 0.21 |
| | September 26, 2009 | Bonus | 30,00,000 | 10 | - | Bonus allotment | 35.29 | 21.28 |
| TOTAL (B) | | 34,00,000 | | | | 40.00 | 24.11 | |
| Manish Gandhi | April 12, 2007 | Cash | 1,60,000 | 10 | 10 | Subscription to Memorandum | 1.88 | 1.13 |
| | October 14, 2008 | Gift | 60,000 | 10 | - | Received as Gift ³ | 0.71 | 0.43 |
| | October 14, 2008 | Gift | 1,50,000 | 10 | - | Received as Gift ⁶ | 1.76 | 1.06 |
| | October 14, 2008 | Gift | 9900 | 10 | - | Received as Gift ⁵ | 0.12 | 0.07 |
| | September 26, 2009 | Bonus | 28,49,250 | 10 | - | Bonus allotment | 33.52 | 20.21 |
| TOTAL (C) | | 32,29,150 | | | | 37.99 | 22.90 | |
| GRAND TOTAL (A+B+C) | | | 76,49,150 | | | | 89.99 | 54.25 |

¹ Transfer by way of gift of Equity Shares to Sumit Gandhi

² Transfer by way of gift of Equity Shares by Surendra Gandhi

³ Transfer by way of gift of Equity Shares by Satinder Pal Kaur

⁴ Transfer by way of gift of Equity Shares by Bulbeer Kaur

⁵ Transfer by way of gift of Equity Shares by Charan Bir Singh Ranotra

⁶ Transfer by way of gift of Equity Shares by Mandeep Gandhi

b. Details of Promoters Contribution Locked In for three years.

In terms of Regulation 32 of the SEBI ICDR Regulations following are the details of minimum Promoters' Contribution

| Name of the Promoter | Date of Allotment and date when made fully paid up | Nature of acquisition (Allotment/transfer) | Number of Equity Shares locked-in | Face Value per Equity Share in Rs. | Issue/Transfer price per Equity Share in Rs. | Consideration (cash, bonus, consideration other than cash) | % of pre-Issue paid-up capital | % of post-Issue paid-up Capital |
|----------------------|--|--|-----------------------------------|------------------------------------|--|--|--------------------------------|---------------------------------|
| Surendra Gandhi | April 12, 2007 | Subscription to Memorandum | 1,20,000 | 10 | 10 | Cash | 1.41% | 0.85% |
| | September 26, 2009 | Bonus allotment | 2,66,710 | 10 | - | Bonus | 3.14% | 1.89% |
| | TOTAL(A) | - | 3,86,710 | - | - | - | 4.55% | 2.74% |
| Sumit Gandhi | April 12, 2007 | Subscription to Memorandum | 1,60,000 | 10 | 10 | Cash | 1.88% | 1.13% |
| | September 26, 2009 | Bonus allotment | 11,29,032 | 10 | - | Bonus | 13.28% | 8.01% |
| | TOTAL(B) | - | 12,89,032 | - | - | - | 15.17% | 9.14% |
| Manish Gandhi | April 12, 2007 | Subscription to Memorandum | 1,60,000 | 10 | 10 | Cash | 1.88% | 1.13% |
| | September 26, 2009 | Bonus allotment | 10,64,258 | 10 | - | Bonus | 12.52% | 7.55% |
| | TOTAL(C) | - | 12,24,258 | - | - | - | 14.40% | 8.68% |
| TOTAL (A+B+C) | | | 29,00,000 | | | | 34.12% | 20.57% |

Note: The lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

Specific written consent has been obtained from Surendra Gandhi, Sumit Gandhi and Manish Gandhi whose Equity Shares form part of Promoters' contribution, to lock-in their Equity Shares for a period of three years to ensure minimum Promoter's contribution to the extent of 20% of the post-Issue paid-up capital of our Company.

Our Promoters, Surendra Gandhi, Sumit Gandhi and Manish Gandhi have agreed to lock in 29,00,000 Equity Shares for a period of three years. All the Equity Shares which have been locked-in are not ineligible for computation of Promoters' contribution under Regulation 33 of the SEBI ICDR Regulations.

Other than the Equity Shares locked-in as Promoter's contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company as per Regulation 37 of the SEBI ICDR Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Further, the Equity Shares issued and allotted in the Pre - IPO Placement, if any, will be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue.

The Promoters' contribution has been brought in being not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.

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

- Equity Shares acquired three years before the filing of the Draft Red Herring Prospectus with SEBI for consideration other than cash and revaluation of assets or capitalisation of intangible assets, involved in such transactions or resulting from a bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from bonus issue against Equity Shares which are ineligible for minimum Promoters' contribution.
- Securities acquired by our Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue.
- Equity Shares issued to our Promoters on conversion of partnership firms into limited company.
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the minimum Promoter's contribution subject to lock-in;
- Pledged Equity Shares held by our Promoters.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoter's contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of the Draft Red Herring Prospectus with SEBI till the date of commencement of lock in period as stated in the Draft Red Herring Prospectus.

4. Shareholding pattern of our Company prior and post this Issue

| Name of the Shareholders | Pre-Issue Equity Capital | | Post – Issue Equity Capital | |
|--|--------------------------|----------------|-----------------------------|----------------|
| | Number of Equity Shares | % | Number of Equity Shares | % |
| Promoters | | | | |
| Surendra Gandhi | 1,020,000 | 12.00% | 1,020,000 | 7.23% |
| Sumit Gandhi | 3,400,000 | 40.00% | 3,400,000 | 24.11% |
| Manish Gandhi | 3,229,150 | 37.99% | 3,229,150 | 22.90% |
| Sub Total (A) | 7,649,150 | 89.99% | 7,649,150 | 54.25% |
| Promoter Group | | | | |
| Satinder Pal Kaur | 680,000 | 8.00% | 6,80,000 | 4.82% |
| Bulbeer Kaur | 85,000 | 1.00% | 85,000 | 0.60% |
| Mandeep Gandhi | 85,000 | 1.00% | 85,000 | 0.60% |
| Sub Total (B) | 850,000 | 10.00% | 850,000 | 6.03% |
| Promoter & Promoter Group Total (A+B) | 8,499,150 | 99.99% | 8,499,150 | 60.28% |
| Others | 850 | 0.01% | 850 | 0.01% |
| Sub Total (C) | 850 | 0.01% | 850 | 0.01% |
| Total Pre Issue Capital (A+B+C) | 8,500,000 | 100.00% | 8,500,000 | 60.28% |
| Public Issue | - | - | 5,600,000 | 39.72% |
| Sub Total (D) | - | - | 5,600,000 | 39.72% |
| Total Post Issue capital | - | - | 14,100,000 | 100.00% |

5. In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than Promoters may be transferred to any other person holding shares prior to the Issue, subject to continuation of lock-in with transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.
6. 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/ Group Entities 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 Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997, as applicable. 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) 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 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) Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.
7. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum Allotment lot, while finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
8. Equity Shares offered through Issue shall be made fully paid up on Application.
9. **(a) Particulars of the top ten shareholders as on the date of filing the Draft Red Herring Prospectus with SEBI.**

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|--------------|--------------------------|-------------------------|----------------------------|
| 1. | Sumit Gandhi | 34,00,000 | 40.00 |
| 2. | Manish Gandhi | 32,29,150 | 37.99 |
| 3. | Surendra Gandhi | 10,20,000 | 12.00 |
| 4. | Satinder Pal Kaur | 6,80,000 | 8.00 |
| 5. | Bulbeer Kaur | 85,000 | 1.00 |
| 6. | Mandeep Gandhi | 85,000 | 1.00 |
| 7. | Charan Bir Singh Ranotra | 850 | 0.01 |
| Total | | 85,00,000 | 100.00 |

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

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|--------------|--------------------------|-------------------------|----------------------------|
| 1. | Sumit Gandhi | 34,00,000 | 40.00 |
| 2. | Manish Gandhi | 32,29,150 | 37.99 |
| 3. | Surendra Gandhi | 10,20,000 | 12.00 |
| 4. | Satinder Pal Kaur | 6,80,000 | 8.00 |
| 5. | Bulbeer Kaur | 85,000 | 1.00 |
| 6. | Mandeep Gandhi | 85,000 | 1.00 |
| 7. | Charan Bir Singh Ranotra | 850 | 0.01 |
| Total | | 85,00,000 | 100.00 |

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

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|--------------------------|-------------------------|----------------------------|
| 1. | Surendra Gandhi | 1,60,000 | 16.00 |
| 2. | Sumit Gandhi | 1,60,000 | 16.00 |
| 3. | Manish Gandhi | 1,60,000 | 16.00 |
| 4. | Satinder Pal Kaur | 1,60,000 | 16.00 |
| 5. | Bulbeer Kaur | 1,60,000 | 16.00 |
| 6. | Mandeep Gandhi | 1,60,000 | 16.00 |
| 7. | Charan Bir Singh Ranotra | 40,000 | 4.00 |
| | Total | 10,00,000 | 100 |

10. The Equity Shares, which are subjected to lock-in, shall carry the inscription “non-transferable” and the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchanges before the listing of the Equity Shares (only in case of shares held in physical form).
11. Our Company, our Promoters, our Directors and the BRLM have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through this Issue from any person.
12. Except for the Bonus issue dated September 26, 2009 mentioned above under the paragraph “*Share Capital History of our Company*” beginning on page 22 of the Draft Red Herring Prospectus, our Promoters and our Promoter Group Entities, the Directors of our Company, the Directors of our Promoter Group Entities have not purchased, neither have they sold any Equity Shares, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.
13. Our Promoters may pledge the locked-in-Equity Shares only with banks or financial institutions as collateral security for loans granted by such banks /financial institutions, provided the pledge of Equity Shares is one of the terms for the sanction of loans, provided that locked-in Equity Shares may be pledged only in relation to loans from such banks/financial institutions for the purpose of financing one or more of the objects of the Issue.
14. We have neither revalued our assets nor issued any shares out of revaluation reserves since incorporation.
15. Our Promoters and Promoter Group will not participate in this Issue.
16. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing Draft Red Herring Prospectus with SEBI.
17. In the case of over-subscription in all categories, at least 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers, of which 5% shall be reserved for Mutual Funds. 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.
18. The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on date.
19. Our Company has not issued any Equity Shares for consideration other than cash.

20. Subject to Pre-IPO Placement, there would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing the Draft Red Herring Prospectus with SEBI until the Equity Shares issued / proposed to be issued pursuant to the Issue have been listed.
21. We presently do not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we acquire companies / business or enter into 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.
22. As per the extant policy, OCBs are not permitted to participate in the Issue. Sub accounts of FIIs who are foreign corporates or foreign individuals are not QIBs, and hence cannot Bid in the QIB Portion in the Issue.
23. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any Equity Shares to our employees under ESOS/ESPS scheme from the proposed Issue.
24. As on date of the Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
25. There shall be only one denomination of Equity Shares of our Company at any given time, unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.
26. A Bidder cannot make a Bid for more than the number of Equity Shares offered to the public through the Issue, subject to maximum limit of investment prescribed under relevant laws applicable to each category of investors.
27. Our Company has 7 shareholders as on the date of the Draft Red Herring Prospectus.
28. Our Company has not made any public or rights issue of any class or kinds of securities since its incorporation.
29. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receives Allotments, if any, in this Issue.
30. None of our Directors or key managerial personnel hold Equity Shares in the Company, other than as follows:

| Sr. No. | Name of the Directors/ Key Managerial Personnel | Number of Equity Shares | % of pre issue Equity Share capital |
|---------|---|-------------------------|-------------------------------------|
| 1. | Surendra Gandhi | 10,20,000 | 12.00 |
| 2. | Sumit Gandhi | 34,00,000 | 40.00 |
| 3. | Manish Gandhi | 32,29,150 | 37.99 |
| 4. | Charan Bir Singh Ranotra | 850 | 0.01 |

31. The BRLM and their associates do not hold any Equity Shares in our Company.
32. 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 transaction.

SECTION IV - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

We intend to utilize the Issue proceeds, after deducting the underwriting and issue management fees, selling commissions and other expenses associated with the Issue (the "Net Proceeds") for the following 'Objects of the Issue':

- Purchase of Semi Permanent Exhibition Structure (SPEC) and allied components
- Acquisition of exhibition/ exhibition brands;
- Acquisition of stall designing and fabrication companies;
- Establishment of overseas offices;
- General corporate purposes;
- Public Issue expenses; and
- Achieve the benefits of listing on the Stock Exchanges.

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

Requirement of funds and means of finance

The following table sets forth the total expenditure expected to be incurred on Objects of the Issue, amount proposed to be financed from Net Proceeds and internal accruals:

Requirement of funds

| | | | | (Rs. in lacs) |
|--------------|--|----------------------|---|---|
| Sr. No. | Particulars | Total Estimated Cost | Estimated Amount to be utilised from the Net Proceeds | Estimated Net Proceeds utilization as on March 31, 2011 |
| I. | Purchase of Semi Permanent Exhibition Structure (SPEC) and allied components | 3,878.82 | 3,878.82 | 3,878.82 |
| II. | Acquisition of exhibition / exhibition brands | 2,800.00 | 2,800.00 | 2,800.00 |
| III. | Acquisition of stall designing and fabrication companies | 750.00 | 750.00 | 750.00 |
| IV. | Establishment of overseas offices | 512.06 | 512.06 | 512.06 |
| V. | General corporate purposes | [•] * | [•] * | |
| Total | | [•] | [•] | |

* To be finalised upon determination of the Issue Price.

Means of finance

We propose to finance the expenditure proposed to be incurred towards Objects of the Issue from the Net Proceeds of this Issue and internal accruals, therefore no arrangements of finance are required.

In the event of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. If surplus funds are unavailable, the required financing will be done through internal accruals, cash flow from our operations, advances received from customers, as the case may be.

Our assessment of the fund requirements and deployment is based on our current business plan, internal management estimates and estimates which are prepared by third parties. The fund requirements have not been appraised by any bank or financial institution or any independent agency. Our business, by its nature, is dynamic and competitive, which may necessitate changes in our estimates at our management's discretion, including availing of new opportunities, meeting competitive threats or other changes that we may not anticipate. We may have to revise our expenditure requirements and / or objects as a result of variations in the cost structure, changes in estimates, exchange rate fluctuations and other external factors, which may not be within the control of the management of our Company. This may entail rescheduling or revising (including increasing or decreasing) or cancelling the planned expenditure and deployment of funds, at the discretion of our Company's management.

The entire Objects of the Issue will be funded through the Net Proceeds and internal accruals. Accordingly, we confirm that the arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals, are not required to be made.

DETAILS OF THE OBJECTS

I. SEMI PERMANENT EXHIBITION STRUCTURE (SPEC) AND ALLIED COMPONENTS

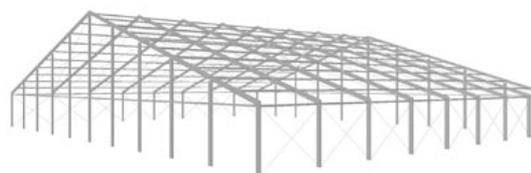
We organize exhibitions on various scales ranging from 1,000 sqm. to 40,000 sqm. of gross exhibition area. Venue hiring, structure and incidental costs account for a significant percentage of our costs. The available exhibition venue space in India is not expected to grow significantly in next two years. Also we would like to hold exhibitions at more accessible locations. To provide more flexibility, to increase size and number of shows, to reduce our dependence on third party venues and to save significant cost, we propose to purchase the SPEC of 40,000 sqm. gross area. We believe that we can be a major player in venue owner space since we have the benefit of our own exhibition and we shall be not significantly dependent on third party SPEC providers. We believe that this will be a more cost effective alternative to our current practice of renting exhibition space and super structure.

Details of our historical amount spent on venue, structure and incidental charges are as mentioned below:

(Rs. in lacs)

| Particulars | Fiscal 2008 | Fiscal 2009 |
|-------------------------------|-------------|-------------|
| Income from Operations | 2748.81 | 4514.35 |
| Venue charges | 726.35 | 1065.95 |
| Structure / Octanorm charges | 285.60 | 299.58 |
| Total | 1011.95 | 1365.53 |
| % of Income | 36.81% | 30.25% |

We also believe that owning our SPEC will provide the requisite flexibility in organizing the exhibitions and reduce our dependence on third party vendors.



The main features of SPEC are as follows:

- Easy to-set up on any terrain and dismantle them. A SPEC can be put up at any location, unlike a permanent building.
- Only limited foundations are required, and therefore a SPEC can easily be moved and it has a very strong modular character
- Size of the SPEC can be easily increased or decreased as per the size of the exhibition, which is not easy and economical in a permanent building
- It is possible to realize short delivery terms, owing to simple and speedy assembling
- A SPEC structure is easy and convenient to maintain

SPEC has the following major components:

| | | <i>(Rs. in lacs)</i> |
|----------------|--|----------------------|
| Sr. No. | Particulars | Amount |
| 1. | Aluminum structure and fire retardant roof | 2,121.40 |
| 2. | Heating Ventilation and Air Conditioning (HVAC) system | 819.95 |
| 3. | Octanorm and related systems | 657.61 |
| 4. | Miscellaneous (including forklifts, trailer trucks) | 169.85 |
| 5. | Warehousing arrangements for SPEC | 110.00 |
| Total | | 3,878.82 |

1. Aluminum Structure and Fire Retardant Roof

We intend to purchase aluminium structure with a gross exhibition area of 40000 sqm. We have received the quotation dated January 20, 2010 from Röder HTS Höcker, GmbH, Germany for supply of the aluminium structure:

| Sr. No. | Particulars * | Rate / Unit (in €)** | Units required | Total (in €) | Total (Rs. in lacs) |
|----------------|--|-----------------------------|-----------------------|---------------------|----------------------------|
| 1. | Aluminium Tent (A-Frame) Width: 40 m Length: 100 m Side-height: 4 m Bay-distance: 5 m Frame made of extruded aluminium-profiles, anodised - 4-channel-profile - bar-tensioning - ridge- and corner-connection made of aluminium - fixed onto base-plate with earth-anchors - roof- and side wires for stabilisation Covering in PVC white, opaque, flame-retardant according to DIN 4102 B1 for roof, gables and sides | 279,480 | 2 | 558,960 | 364.83 |
| 2. | Aluminium Tent (A- Frame) Width: 30 m Length: 100 m Side-height: 4 m Bay-distance: 5 m Frame made of extruded aluminium-profiles, anodised - 4-channel-profile - bar-tensioning | 183,600 | 6 | 1,101,600 | 719.01 |

| Sr. No. | Particulars * | Rate / Unit (in €)** | Units required | Total (in €) | Total (Rs. in lacs) |
|---------|---|----------------------|----------------|--------------|---------------------|
| | - ridge- and corner-connection made of aluminium - fixed onto base-plate with earth-anchors - roof- and side wires for stabilisation Covering in PVC white, opaque, flame-retardant according to DIN 4102 B1 for roof, gables and sides | | | | |
| 3. | Aluminium Tent (A- Frame) Width: 20 m Length: 100 m Side-height: 4 m Bay-distance: 5 m - frame made of extruded aluminium-profiles, anodised - 4-channel-profile - bar-tensioning - ridge- and corner-connection made of aluminium - fixed onto base-plate with earth-anchors - roof- and side wires for stabilisation Covering in PVC white, opaque, flame-retardant according to DIN 4102 B1 for roof, gables and sides | 108,120 | 6 | 648,720 | 423.42 |
| 4. | Aluminium Tent (A- Frame) Width: 10 m Length: 50 m Side-height: 3 m Bay-distance: 5 m - frame made of extruded aluminium-profiles, anodised - 4-channel-profile - bar-tensioning - ridge- and corner-connection made of aluminium - fixed onto base-plate with earth-anchors - roof- and side wires for stabilisation Covering in PVC white, opaque, flame-retardant according to DIN 4102 B1 for roof, gables and sides | 23,970 | 6 | 143,820 | 93.87 |
| | Total (1+2+3+4) | 595,170 | | 2,453,100 | 1,601.14 |
| | Transportation and Handling @ | | | | 76.75 |
| | Duties and Taxes @ | | | | 443.52 |
| | Total Cost | | | | 2,121.40 |

* All structures are according to the International DIN Standards. The structures and the fabric used to cover tents are flame retardant and certified by internationally acclaimed fire agencies.

** All prices are ex-works Germany

*** The cost is subject to change due to foreign exchange fluctuations, any deficit will be funded from our internal accruals.

@ As per management estimates.

Conversion rate for EURO & USD has been taken as 65.27 & 46.17 respectively as on January 22, 2010.
(Source: RBI)

2. HVAC Systems

To maintain optimal temperatures within the SPEC we will install HVAC systems. The HVAC system consists of air conditioning units of 2900 TR. All units are mobile. In addition, the system consists of ducting systems to be spread across the venue. We have received the quotation dated January 20, 2010 from Nova HVAC Systems (I) Private Limited.

SPECIFICATIONS

| No. | Description | Qty | Units | Rate (Rs.) | Amount (Rs. in lacs) |
|--|---|----------|-------|------------|----------------------|
| A Roof Top Packaged Units (Scroll Compressor) | | | | | |
| 1.0 | ETA make 25Ton Roof Top Packaged units with scroll Compressors | 116 | No. | 365,000 | 423.40 |
| Sub Total of Equipment | | | | | 423.40 |
| OCTROI 5.5% | | | | | 23.29 |
| VAT 12.5% | | | | | 55.84 |
| Equipment Total A | | | | | 502.52 |
| B Air Distribution System and Installation | | | | | |
| *2.0 M.S. Stand for Outdoor Unit | | | | | |
| 2.1 | Supply, fabrication of M.S stand for outdoor unit from C Channel & 2" x 2" angle, with Vibration Pads for Ductable A/C's. | 116 | No. | 8,500 | 9.86 |
| 3.0 G.I. Round/Square Ducting- Jindal make Fabrication, Supply, Installation of G.I. Ducting, testing & Air Balancing | | | | | |
| 3.1 | 20Gauge- Round | 2,800 | Sqft | 85 | 2.38 |
| 3.2 | 22Gauge- Round | 90,000 | Sqft | 72 | 64.80 |
| 3.3 | 24Gauge- Square | 1,50,000 | Sqft | 62 | 93.00 |
| 3.4 | Clamps | 1,200 | No. | 175 | 2.10 |
| 4.0 Volume Control Dampers | | | | | |
| 4.1 | Collar Dampers | 300 | Sqft | 375 | 1.12 |
| 4.2 | Aluminium Extruded Spot Grill. | 900 | Sqft | 400 | 3.60 |
| 5.0 Canvass Flexible Connection | | | | | |
| 5.1 | Canvass Flexible Connection with necessary framework for Indoor Unit-25Ton | 116 | No. | 1,800 | 2.08 |
| 6.0 Thermal and Acoustic Insulation | | | | | |
| 6.1 | Acoustic Insulation | 26,000 | Sqft | 42 | 10.92 |
| 6.2 | Thermal Insulation with HeatLon 9mm thick from outside of Duct(Tail End) | 2,60,000 | Sqft | 30 | 78.00 |
| 7.0 Pressure testing, Vaccumising, Gas Charging and Commissioning | | | | | |
| 7.1 | 25.0 Ton Model | 116 | No. | 10,000 | 11.60 |
| 8.0 Installation/Rigging Charges for Indoor & Outdoor AC's | | | | | |
| 8.1 | 25.0 Ton Model | 116 | No. | 8,000 | 9.28 |
| *11.0 Electrical Cabling | | | | | |
| 11.1 | 16 Amps Electrical (2.5sqmm x 3core) cable | 450 | Rft | 48 | 0.22 |

| No. | Description | Qty | Units | Rate (Rs.) | Amount (Rs. in lacs) |
|--------------|--|------|-------|------------|----------------------|
| 11.2 | 5 Amps Electrical (1.5Sqmm x 2core) cable | 450 | Rft | 36 | 0.16 |
| *12.0 | PVC Drain Piping | | | | |
| 12.1 | 40mm dia PVC pipe/fitting with Insulation for Condensate drain | 1200 | Rft | 50 | 0.60 |
| | TOTAL - Air distribution system & Installation (B): | | | | 289.73 |
| | VAT(Value Added Tax) :- 12.5% on Material | | | | 13.92 |
| | *VAT(Value Added Tax) :- 4% on Material | | | | 2.40 |
| | Service Tax :- 10.3% on Labour | | | | 11.38 |
| | Total Cost of Low side of Air-conditioning work | | | | 318.43 |
| | Grand Total | | | | 819.95 |

3. Octanorm Systems

An Octanorm is a unique aluminum system utilized in connection with exhibitions and displays. It is an exhibition shell scheme using a pole and panel system which can be configured in a multitude of layouts for stands from a minimum of 2 sqm in size. It is a unique 8 groove system made of aluminum, used for exhibit / stall fabrication.

We have obtained a quotation from Kunj Inc. manufacturers of Octanorm dated January 19, 2010 in respect of supply of various components of the Octanorm. Details of the same are as follows:

| Sr. No. | Particulars | Size/ Part No | Rate / Unit (in Rs.) | Unit required | Amount (Rs. in lacs) |
|---------|---|---------------|----------------------|---------------|----------------------|
| (1) | Vertical Octanorm Extrusion 8 Slot Sec | 2500 mm | 583 | 5,000 | 29.15 |
| | | 50 mm | 23 | 1,000 | 0.23 |
| | | 175 mm | 56 | 1,000 | 0.56 |
| | | 300 mm | 79 | 5,000 | 3.93 |
| | | 1000 mm | 280 | 1,000 | 2.80 |
| | | 2000 mm | 560 | 5,000 | 28.00 |
| | Sub- total (1) | | | | 64.67 |
| (2) | Beam Horizontal Extrusion 50 mm | 455 mm | 96 | 5,000 | 4.78 |
| | | 660 mm | 168 | 5,000 | 8.40 |
| | | 950 mm | 202 | 3,000 | 6.06 |
| | | 1360 mm | 0 | 2,000 | 0.01 |
| | | 1445 mm | 0 | 5,000 | 0.01 |
| | | 1940 mm | 381 | 3,000 | 11.43 |
| | | 2435 mm | 482 | 2,000 | 9.64 |
| | | 2930 mm | 594 | 3,000 | 17.82 |
| | | 3920 mm | 762 | 2,000 | 15.24 |
| | Sub- total (2) | | | | 73.39 |
| (3) | Beam Horizontal Extrusion 37 mm | 455 mm | 84 | 1,000 | 0.84 |
| | | 660 mm | 146 | 2,000 | 2.92 |
| | | 950 mm | 185 | 1,000 | 1.85 |
| | | 1360 mm | 235 | 5,000 | 11.75 |
| | | 1445 mm | 264 | 1,000 | 2.64 |
| | | 1940 mm | 358 | 1,000 | 3.58 |
| | | 2435 mm | 454 | 1,000 | 4.54 |
| | | 2930 mm | 543 | 2,000 | 10.86 |
| | | 3920 mm | 728 | 5,000 | 36.40 |
| | Sub- total (3) | | | | 75.38 |

| Sr. No. | Particulars | Size/ Part No | Rate / Unit (in Rs.) | Unit required | Amount (Rs. in lacs) |
|------------|---|--------------------------------|----------------------|---------------|----------------------|
| (4) | Exhibition Furniture | | | | |
| | System Counter (only section/Fittings) | 455 mm x 950 mm x 750 mm | 1,960 | 2,000 | 39.20 |
| | Jewellery Counter (only section/Fittings) | 455 mm x 950 mm x 1000 mm | 2,856 | 2,000 | 57.12 |
| | Enquiry Counter With Facia | 455 mm x 1360 mm x 2500 mm | 4,144 | 1,000 | 41.44 |
| | Folding Arm Chair | AC-620 | 532 | 200 | 1.06 |
| | Sub- total (4) | | | | 138.82 |
| (5) | Exhibition Lighting | | | | |
| | Spot light with Arm(Regular) | AC-619 | 73 | 5,000 | 3.65 |
| | Spot light with Arm Cap Shape) | ---- | 151 | 5,000 | 7.55 |
| | Spot light with Arm (Square Shape) | ---- | 140 | 5,000 | 7.00 |
| | Spot light with Arm (Glass shape) | ---- | 112 | 75,000 | 84.00 |
| | Sub- total (5) | | | | 102.20 |
| (6) | Exhibition Panel | | | | |
| | Laminated Panel (M.D.F) | 8 ft x 4 ft x 3 mm | 728 | 10,000 | 72.80 |
| | Laminated Panel | 8 ft x 4 ft x 2.5 mm | 785 | 5,000 | 39.25 |
| | Laminated Panel | 8 ft x 4 ft x 3 mm | 797 | 5,000 | 39.85 |
| | Sub- total (f) | | | | 151.90 |
| (7) | Accessories Part | | | | |
| | Table Top Holder (Plastic) | For Wooden Top | 4 | 10,000 | 0.40 |
| | Glass Top Holder (Plastic) | For Glass (jewellery counters) | 4 | 10,000 | 0.40 |
| | End Cap (Plastic) | For Vertical Section | 4 | 10,000 | 0.40 |
| | End Cap (Plastic) | For 37 mm Section | 4 | 10,000 | 0.40 |
| | Wire Clip (Plastic) | ---- | 4 | 10,000 | 0.40 |
| | T-Bolt (steel) &Rubber Coated | AC-618 | 8 | 10,000 | 0.78 |
| | T-Bolt Ring (steel) | ---- | 20 | 10,000 | 1.95 |
| | System Lock (plastic) | 4 mm | 12 | | |
| | System Lock (metal) | 4 mm | 28 | | |
| | Sub- total (7) | | | | 4.73 |
| | Total -(1+2+3+4+5+6+7) | | | | 611.08 |
| | VAT | | | | 46.53 |
| | Total Cost | | | | 657.61 |

4. Miscellaneous (including forklifts, trailer trucks)

To shift our semi permanent structure and other goods from one event / venue to another, we will require trailer trucks and forklifts. We have obtained quotations from Unitech Automobiles Private Limited dated December 14, 2009 for trailer trucks and from Godrej & Boyce Manufacturing Company Limited dated January 20, 2010 for forklifts. The details of the same as follows:

| <i>(Rs. in lacs)</i> | | | | |
|----------------------|--|------|------------|---------------|
| Sr. No. | Particulars | Qty. | Unit Price | Total |
| 1. | Tata Model LPS 4018 FLAT BED TRAILER Euro- II with Fabrication (inclusive RTO, Insurance, Octroi etc) | 4 | 34.80 | 139.22 |
| 2. | Godrej Diesel Forklift Truck Model GX 300 D capacity 3.0 Tones at 500 mm load center with Optimal Fitments & Accessories | 1 | 11.80 | 11.80 |
| 3. | Godrej Diesel Forklift Truck Model GX 500 D capacity 5.0 Tones at 600 mm load center with Optimal Fitments & Accessories | 1 | 18.82 | 18.82 |
| Total | | | | 169.85 |

5. Warehousing arrangements for SPEC

SPEC and its allied components will require approximately 1,00,000 sq. ft. storage space and at least one container truck for facilitating easy movement of the SPEC. We intend to rent space for the warehouse at Bhiwandi, Mumbai. Location of the warehouse has been chosen specifically so as to ensure quick shifting and movement coupled with savings on transportation, labour and handling charges.

| Particulars | Size (in sq ft) | Rate/ sq. ft (Rs.) | Total (Rs. in lacs) |
|---|-----------------|--------------------|---------------------|
| Warehouse for storage & operational movement space on lease for 11 months | 100,000 | 10 | 110.00* |

* Management estimates

II. ACQUISITION OF EXHIBITION / EXHIBITION BRANDS

Currently we are present in 11 verticals and leveraging on our experience in organizing exhibitions, we intend to expand and have exhibitions in other business verticals to reduce dependence on any particular sector and diversify our business operations. Currently we have exhibitions revolving around architecture, design/ building materials, lifestyle, real estate/property, IT/telecom, oil & gas, petrochemicals, education, capital goods verticals. Going forward we intend to enter into new business verticals through the inorganic route.

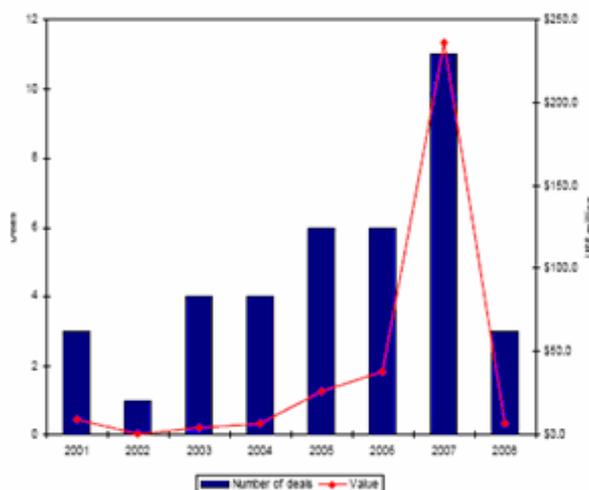
We intend to acquire exhibitions by either subscribing to the issue of shares by such companies or purchasing a stake from existing shareholders or purchasing the intellectual property rights of the brand or such other mode as may be in the best interest of our Company. We also may acquire such exhibitions / exhibition brands through acquisition of their assets, if any. The acquisition of exhibitions / exhibition brands may include a complete acquisition of such companies or we may acquire substantial interest, including majority interests in these entities.

We are in the process of evaluating certain exhibitions / exhibition brands in different verticals, which we believe have potential and can be scaled up substantially from their current size. These exhibitions / exhibition brands are spread over various verticals like pharmaceuticals ingredients, metals & metallurgy, paper & packaging and travel.

We intend to utilise approximately Rs. 2,800 lacs from the Net Proceeds of the Issue accruals towards the acquisition of exhibition / exhibition brands. However, as on the date of the DRHP, we have not entered into any letter of intent, memorandum of understanding or an agreement to acquire any exhibition / exhibition brands.

The number of merger and acquisitions of exhibitions / exhibition brands and events have grown considerably since 2001 as depicted in the graph below:

Exhibition industry Merger and Acquisition activity in Asia, 2001 - 2007



(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

III. ACQUISITION OF STALL DESIGNING AND FABRICATION COMPANIES

Our Company intends to raise funds for proposed acquisitions and is in the process of identifying a few companies operating in the stall designing / fabrication field. Stall designing / fabrication activity will further strengthen our endeavour to move up the value chain in terms of the budgetary allocation of an exhibitor for an exhibition and offer complete solution to our clients. Our services and interaction with the exhibitors will expand from organizing the event to designing, fabrication and erection of the stall at the venue.

In order to provide more value added and high quality services to its customers, the Company intends to explore opportunities in the stall fabrication business. Currently, we outsource the design, fabrication and construction of the exhibition stalls to several independent subcontractors. We believe that an in-house fabrication operation will allow us to closely monitor the quality of the exhibition stalls and provide more flexibility in catering the design requirements of its customers. In addition, the fabrication operation will provide a new source of income to the Company. We plan to develop this area of business by acquiring an established fabricator.

A large pie of the exhibitor's budget for exhibitions is allocated towards the designing of the stall than for stall rentals that they pay to us as organizers. The design and layout of the stall reflects the brand image of the exhibitors. We receive requests from our clients to offer complete one-stop solutions. The proportion of clients taking bare space (where they spend considerable effort to build stall) vis-à-vis clients taking octanorm stalls have increased over last few years.

We intend to acquire stall designing and fabrication companies by either subscribing to the issue of shares by such companies or purchasing a stake from existing shareholders or purchasing the intellectual property rights of the brand or such other mode as may be in the best interest of our Company. The acquisition of exhibitions / exhibition brands may include a complete acquisition of such companies or we may acquire substantial interest, including majority interests in such entities.

We intend to utilise approximately Rs. 750 lacs from the Net Proceeds of the Issue for the proposed acquisitions.

Modus operandi for acquisitions of exhibition / exhibition brands, stall designing and fabricating companies.

The broad procedure that we intend to follow for proposed acquisitions is as follows:

- Sign a letter of intent with the target company
- Enter into a non-disclosure agreement (NDA) with the target company
- After entering into the NDA, assess the confidential information pertaining to the target company including its financials and other information such as clientele etc.
- Sign memorandum of understanding with the target company based on broader terms of valuation agreed upon subject to due diligence and then initiate the formal due diligence, which may need hiring specialists and outside agencies.
- Sign the definitive 'purchase agreement' with the target company and undertake the legal formalities on satisfactory conclusion of due diligence

We are not sure of any dividends/returns arising out of the investments in the equity shares of the entity(s), if any, which are proposed to be acquired.

Opening of overseas offices

We intend to establish overseas marketing offices at Singapore, Shanghai, Dubai, and London which covers the major exhibition markets. The total cost estimated for setting up of these offices is Rs. 512.06 lacs. This includes one time initial fixed expenses like rent deposit, furniture & fixtures, computers etc and six months of operating expenses.

Rationale for setting up our overseas offices

We presently derive almost entire revenue from domestic clients for our Indian exhibitions. As part of our growth strategy we intend to have participation from international clients. Normally the realization rates from international clients better than that of domestic clients. International participation brings class and revenue with higher profitability. The representatives in these offices will provide services including, but not limited to, the following:

- Identify and introduce exhibitors to our exhibitions
- Provide all marketing and promotion in above mentioned countries in respect of the exhibition
- Follow up on all matters concerning the exhibitors including the collection of application forms, selection and confirmation of exhibition stalls etc.
- Provide other coordination services

Cost of setting up our overseas offices

Our management estimates of the costs associated with setting up our overseas offices is as follows:

(Rs. in lacs)

| Sr. No. | Cost Heads | Dubai | London | Singapore | China |
|---------|--|---------------|---------------|---------------|---------------|
| 1. | Area | 750 Sq ft | 500 Sq ft | 750 Sq ft | 1000 Sq ft |
| 2. | Deposit | 21.00 | 30.00 | 15.00 | 12.00 |
| 3. | Rent | 10.50 | 15.00 | 7.50 | 6.00 |
| 4. | Office Equipments | | | | |
| | Furniture / Fixtures | 15.00 | 16.00 | 15.00 | 10.00 |
| | PC's & Laptop's | 4.00 | 4.00 | 3.00 | 2.00 |
| | Other Equipments such as Fax Machine, Photocopy Machine, EPBAX, CCTV, Pantry - Fridge, Microwave etc | 3.50 | 4.00 | 3.50 | 2.50 |
| 5. | Staff Salaries | | | | |
| | 1 - Business Manager, 2 - Senior Sales Manager, 4 - Support Staff | 31.50 | 45.00 | 39.00 | 28.50 |
| 6. | Government License Fees & Taxes | | | | |
| | Company Formation need a Sponsorship - Sponsorship Fees | 9.00 | 2.00 | 8.00 | 5.00 |
| | Business License, Bank Guarantee | 13.00 | - | - | - |
| | License Fee | 6.50 | - | - | - |
| | Legal Fee | 2.50 | - | 1.50 | 1.00 |
| | Investors Visa Cost | - | 3.00 | 2.00 | 0.50 |
| 7. | Employment Visa's & Legal Expenses | | | | |
| | Visa / Work Permit | 0.40 | 2.80 | 2.00 | 0.16 |
| | Internal Travel | 3.60 | 4.50 | 3.00 | 4.50 |
| 8. | Business Operational Expenses such as Telephones, Electricity, Office Maintenance, Advertising Publicity, Mobiles, Printing & Stationery, AMC, Internet etc | 9.00 | 10.50 | 7.50 | 6.00 |
| 9. | Travel & Stay | 12.00 | 15.00 | 12.00 | 9.00 |
| 10. | Miscellaneous | 2.40 | 3.30 | 2.40 | 4.50 |
| | Sub Total (1+2+3+4+5+6+7+8+9+10) | 143.90 | 155.10 | 121.40 | 91.66 |
| | Total Cost | | | | 512.06 |

General Corporate Purposes

Our Company intends to deploy the balance Issue proceeds aggregating Rs. [●] lacs, towards general corporate purposes, including but not restricted to advertising, branding, meeting exigencies and contingencies of business. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the Issue proceeds available for general corporate purposes.

Public Issue Expenses

The expenses for this Issue include Issue management fees, selling commissions, underwriting commission, IPO grading expenses, printing and distribution expenses, legal fees, fee payable to other intermediaries, statutory advertisement expenses and listing fees payable to the Stock Exchanges, amongst others. The estimated Issue expenses are as under:

(Rs. in lacs)

| Activity | Expenses * | As percentage of total expenses | As percentage of total issue size |
|--|------------|---------------------------------|-----------------------------------|
| Lead management fee and underwriting commissions | [•] | [•] | [•] |
| Advertising and marketing expenses | [•] | [•] | [•] |
| Printing and stationery | [•] | [•] | [•] |
| IPO Grading Fees | [•] | [•] | [•] |
| Registrar's Fees | [•] | [•] | [•] |
| Fees to the Legal Advisors | [•] | [•] | [•] |
| Others | [•] | [•] | [•] |
| Total | [•] | [•] | [•] |

* Will be incorporated after finalisation of the Issue Price

Schedule of Implementation

| Sr. No. | Particulars | Current Status | Commencement | To be Completed till |
|---------|--|---------------------|----------------|----------------------|
| 1. | Purchase of Semi Permanent Exhibition Structure (SPEC) and allied components | Orders to be placed | February 2010 | July 31, 2010 |
| 2. | Acquisition of exhibition / exhibition brands | Under process | April, 2010 | October 31, 2010 |
| 3. | Acquisition of stall designing and fabrication companies | Under process | July, 2010 | August 31, 2010 |
| 4. | Establishment of overseas offices | Under process | February, 2010 | June 31, 2010 |

Deployment of Funds

As on date of the Draft Red Herring Prospectus no amount has been deployed towards Objects of the Issue.

Interim Use of Funds

The management, in accordance with the policies established by the Board of Directors, will have the flexibility in deploying the Net 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 and other fixed and variable return instruments

Monitoring of Issue proceeds

We have not appointed a monitoring agency to monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the proceeds of the Issue under a separate head along with details, for all such proceeds of the Issue that have not been utilized. We will indicate investments, if any, of unutilized proceeds of the Issue in our financial statements for the relevant Financial Years subsequent to our listing.

Our Audit Committee will also monitor the utilization of the Issue Proceeds. Pursuant to clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee the uses and applications of the proceeds of the Issue. 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. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement shall be certified by the Statutory Auditors.

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. Our Company shall be required to inform material deviations in the utilization of the Net Proceeds of the Issue to the Stock Exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/monitoring agency public through advertisement in newspapers.

No part of the Issue Proceeds of this issue will be paid as consideration to our Promoters, directors, key managerial employees or group concerns/companies promoted by our Promoters, except in the normal course of our business.

BASIC TERMS OF THE ISSUE

Principal Terms and Conditions of the Issue

The Equity Shares being issued are subject to the provisions of the Companies Act, Memorandum of Association and Articles of Association of our Company, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, ASBA Bid cum Application Form, the Revision Form, CAN, revised CAN the listing agreement with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, regulations, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, Government of India, Stock Exchanges, Registrar of Companies, RBI, 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 Companies Act, Memorandum and Articles of Association of our Company and shall rank *pari passu* in all respect with the other existing Equity Shares of our Company including rights in respect of dividends. The Allottees, in receipt of Allotment of Equity Shares under this Issue, will be entitled to dividends, voting rights or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, refer to section titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page 273 of the Draft Red Herring Prospectus.

Mode of Payment of Dividends

The declaration and payment of dividend, if any, will be as per the provisions of the Companies Act.

Face Value and Issue Price

The Equity Shares with a face value of Rs. 10/- each will be offered in terms of the Red Herring Prospectus to be filed with the RoC at a price of Rs. [●] per Equity Share. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws. The Floor Price of the Equity Shares is Rs. [●] per Equity Share and Cap Price is Rs. [●] per Equity Share. The Issue Price is [●] times the face value of the Equity Shares.

Price Band

The Price Band shall be from Rs. [●] to Rs. [●] per Equity Share of face value of Rs. 10 each.

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 (members) of our Company shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and other preferential claims being

- satisfied;
- Right of free transferability of Equity Shares; and
 - Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement to be executed with the Stock Exchanges and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividends, forfeiture, transfer, transmission and lien and/or consolidation/splitting, refer section titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page 223 of the Draft Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares of our Company in the Issue shall be Allotted only in dematerialized form. As per existing SEBI ICDR Regulations the trading in our Equity Shares shall only be in dematerialized form for all investors, and hence, the tradable lot would be one Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For further details refer paragraph titled “*Basis of Allotment*” beginning on page 252 under chapter titled “*Issue Procedure*” of the Draft Red Herring Prospectus.

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 our Equity Shares by the Book Building Process. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [●] times the face value. Investors should review the entire Draft Red Herring Prospectus, including the sections “*Risk Factors*”, “*Industry Overview*”, “*Business Overview*” and “*Financial Statements*” beginning on pages xiv, 55, 71 and 128, respectively, to get a more informed view before making an investment decision.

Qualitative Factors

The key competitive strengths of our Company include the following:

- An established brand name with a reputation of quality exhibitions;
- From “Concept to Completion”;
- Innovativeness;
- Tie-up with BCCL and industry associations and trade bodies to promote our exhibitions;
- Large scale operations;
- Relationship with customers;
- Diversified customer base;
- Strong management team; and
- Capability of conducting exhibitions across India.

Quantitative Factors

The information presented in this section for Fiscal 2008 and Fiscal 2009 and six month period ended September 30, 2009 is derived from our standalone audited restated financial statements and for the six month period ended September 30, 2009 from our consolidated audited restated financial statements prepared in accordance with Indian GAAP. Investors should evaluate our Company taking into consideration its earnings and based on its consolidated growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

Basic and Diluted Earnings per Equity Share (“EPS”) as per restated financial statements:

| Year ended | Basic & Diluted | |
|---|-----------------|--------|
| | EPS (Rs.) | Weight |
| Fiscal 2008 | 2.82 | 1 |
| Fiscal 2009 | 7.63 | 2 |
| Weighted Average | 6.03 | |
| Six month period ended September 30, 2009 (standalone, unannualised) | 4.48 | |
| Six month period ended September 30, 2009 (consolidated, unannualised) | 4.96 | |

Notes:

- Earnings per share calculations are done in accordance with Accounting Standard 20 ‘Earning per Share’ issued by the Institute of Chartered Accountants of India.
- Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period. Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

- The weighted average number of Equity Shares outstanding during the period is adjusted for events of bonus issue.
- For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2. Price/Earning (P/E) ratio in relation to Issue Price of Rs. [●]

| Particulars | PE Ratio based on | |
|---|-------------------|-----------|
| | Floor Price | Cap Price |
| Based on EPS of March 31, 2009 – Standalone | [●] | [●] |
| Based on EPS of September 30, 2009 – Standalone | [●] | [●] |
| Based on EPS of September 30, 2009 – Consolidated | [●] | [●] |
| Based on EPS on weighted average | [●] | [●] |

3. Return on Net Worth (RONW):

Return on Net Worth as per restated financial statements:

| Particulars | RONW % | Weight |
|--|---------------|--------|
| Fiscal 2008 | 70.97% | 1 |
| Fiscal 2009 | 77.70% | 2 |
| Weighted Average | 75.46% | |
| Six months ended September 30, 2009 (Standalone) | 31.31% | |
| Six months ended September 30, 2009 (Consolidated) | 33.58% | |

Return on Net Worth is arrived at by dividing restated net profit after tax by restated net worth as at the year end.

4. Minimum RONW required for maintaining pre-issue EPS at September 30, 2009 is [●].

5. Net Asset Value per Equity Share

| Particulars | Amt. (Rs) |
|--|-----------|
| Net Asset Value per Equity Share (standalone) as of September 30, 2009 | 14.29 |
| Net Asset Value per Equity Share (consolidated) as of September 30, 2009 | 14.76 |
| Net Asset Value per Equity Share after the Issue | [●] |
| Issue Price per equity share | [●] |

6. Comparison of Accounting Ratios with Industry Peers

The details on the comparison of accounting ratios of our company with other listed entities have not been given as our company is in the exhibition business and there are no listed peers in the same line of business.

7. The Issue Price of Rs. [●] has been determined by our Company in consultation with the BRLM on the basis of the demand from investors for the Equity Shares through the Book Building Process. The BRLM believe that the Issue Price of Rs. [●] is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Draft Red Herring Prospectus, including, in particular “*Risk Factors*”, “*Business Overview*” and “*Financial Statements*” beginning on pages xiv, 71 and 128, respectively.

For the basic terms of the issue, refer to the chapter titled “*Terms of the Issue*” beginning on page 221 of the Draft Red Herring Prospectus.

STATEMENT OF TAX BENEFITS

To,
Asian Business Exhibition & Conferences Limited
530, Laxmi Plaza,
Laxmi Industrial Estate,
New Link Road,
Andheri West,
Mumbai-400 053
India

Re: Possible Tax Benefits available under the existing tax laws to the Company and the Shareholders on Initial Public Offering (the "IPO") of Equity Shares as per SEBI ICDR Regulations.

Dear Sirs,

We hereby report that the enclosed statement states the possible direct tax benefits available to Asian Business Exhibition & Conferences Ltd. (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. Hence the ability of the Company or its shareholders to derive the 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 fulfill.

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

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

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

Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to up-date the views of such changes.

The contents of the enclosed annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of current tax laws.

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 Issue of Equity Shares of the Company as per SEBI ICDR Regulations and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Thanking you,
For R. Sanghvi & Co.
Chartered Accountants

Mr. Rajesh Sanghvi
Proprietor
Membership No. 41744
Place: Mumbai
Date: January 25, 2010

Levy of Income Tax

In India, tax is charged on the basis of the residential status of a person (under terms of the provisions of the Income Tax Act) on his/her total income in the previous year, at the rates as specified in the Finance Act as applicable in the relevant assessment year. An assessment year is a period of 12 months commencing on the first day of April every year ("**Assessment Year**"). Generally, the previous year means the financial year immediately preceding the Assessment Year.

In general, in the case of a person who is "resident" in India in a previous year, his/her global income is subject to tax in India. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India, is subject to tax in India. In the case of a person who is "not ordinarily resident" in India, the income chargeable to tax is the same as in the case of persons who are resident and ordinarily resident except that the income which accrues or arises outside India is not included in his total income unless it is derived from a business controlled or a profession set up in India. In the instant case, the income from the shares of the company would be considered to accrue or arise in India, and would be taxable in the hands of all persons irrespective of residential status. However, applicable Double Taxation Avoidance Agreement (DTAA) may give some relief from tax in India to the non-resident.

Residence in India

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

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

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

A **company** is resident in India if it is an Indian company formed and registered under the Companies Act, 1956 or the control and management of its affairs is situated wholly in India.

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

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

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

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

SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS:

There are no special tax benefits available to the Company and shareholders.

GENERAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS:

As per the existing provisions of the Income Tax Act, 1961 and other laws as applicable for the time being in force, the following Tax Benefits and deductions are and will, inter alia, will be available to Asian Business Exhibitions & Conferences Limited (the “Company”) and its Shareholders. These benefits are available after fulfilling certain conditions as required in the respective Acts.

A) To the Company

1. Subject to Compliance of certain conditions laid down in Section 32 of the Income Tax Act, 1961, the Company will be entitled to a deduction for depreciation in respect of tangible assets and intangible assets being in the nature of know-how, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired on or after 1st day of April, 1998 at the rates prescribed under the Income Tax Rules, 1962;
2. Carry forward of business loss (section 72 of the Act) Unabsorbed business losses, if any, for any year can be carried forward and set off against business profits for subsequent years (up to 8 years).
3. Dividend income from shares or units of mutual funds specified under section 10(23D) of the Income Tax Act, 1961 is exempt from income tax in accordance with and subject to the provisions of section 10(34) read with Section 115-O or section 10(35), respectively, of the Income Tax Act, 1961. As per the provisions of Section 14A of the Income Tax Act, 1961 no deduction is allowed in respect of any expenditure incurred in relation to such dividend income to be computed in accordance with the provisions contained therein. Also, Section 94(7) of the Income Tax Act, 1961 provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units are claimed as tax exempt.
4. Capital assets may be categorized into short term capital assets and long term capital assets based on the period of holding. Shares in a company, listed securities or units will be considered as long term capital assets if they are held for a period exceeding 12 months. Consequently, capital gains arising on sale of these assets held for more than 12 months are considered as “long term capital gains”. Capital gains arising on sale of these assets held for 12 months or less are considered as “short term capital gains”.

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 in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long term capital gains, it offers a benefit by permitting 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.

According to Section 10(38) of the IT Act, long-term capital gains on sale of equity shares or units of an equity-oriented fund where the transaction of sale is chargeable to Securities Transaction Tax (‘STT’) and thereby STT has been paid on the same shall be exempt from tax.

5. As per the provisions of Section 112 of the IT Act, long term gains as computed above that are not exempt under Section 10(38) of the IT Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).
6. As per the provisions of Section 111A of the IT Act, short-term capital gains on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge and education cess).
7. As per the Minimum Alternate Tax (MAT) provisions governed by Section 115JB of the IT Act, capital gains (short term and long term) realized on sale of securities of the company (irrespective of whether the securities are listed on a recognized stock exchange in India) forming part of the 'book profit' will be taxed at the rate of 15% (plus applicable surcharge and education cess).
8. In accordance with and subject to the conditions specified in Section 54EC of the Income Tax Act, 1961 the Company would be entitled to exemption from tax on Long-Term Capital Gain (not covered by Section 10(36) and Section 10(38) of the Income Tax Act, 1961 if such capital gain is invested in any of the long-term specified assets (herein-after referred to as the "new asset") to the extent and in the manner prescribed in the said section. For investment made on or after 1st day of April 2007, the exemption would be restricted to the amount which does not exceed Rupees Fifty Lacs during the financial year. If the new asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of Capital Gains for which exemption is availed earlier would become chargeable to tax as Long-Term Capital Gains in the year in which such new asset is transferred or converted into money. If only a portion of capital gain is so invested, the exemption is available proportionately. The bonds presently specified within this section are bonds issued by National Highway Authority of India (NHAI) and Rural Electrification Corporation Ltd (REC).
9. The Company will be entitled to amortize preliminary expenditure, being expenditure incurred on public issue of shares under section 35D(2)(c)(iv) of the Income Tax Act, 1961, subject to the limit specified in Section 35D(3).
10. Under section 35DD of the Income Tax Act, 1961 for any expenditure incurred wholly and exclusively for the purposes of amalgamation or demerger, the Company is eligible for deduction of an amount equal to one-fifth of such expenditure for each of the five successive years beginning with the year in which amalgamation or demerger takes place.
11. The Company will be entitled to claim expenditure incurred in respect of voluntary retirement scheme under scheme 35DDA of the Income Tax Act, 1961 in five equal annual installments.
12. The corporate tax rate shall be 30% (plus applicable surcharge, education cess and secondary & higher education cess). Surcharge @ 10% shall be levied if the net income exceeds Rupees One Crore.
13. As provided under section 115JB of the Income Tax Act, 1961, the Company is liable to pay income tax at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess on the Book Profit as per the provisions of section 115JB if the total tax payable as computed under the Income Tax Act, 1961 is less than 15% of its Book Profit as computed under the said section.
14. In terms of Section 115JAA (1A) of the IT Act, tax credit shall be allowed for any AY commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the IT Act. The credit is available for set off only when tax becomes payable under the normal provisions. The tax credit can be

utilized to set off any tax payable under the normal provisions in excess of MAT payable for that relevant year. Credit in respect of MAT paid for AY 2010-2011 and any subsequent AYs shall be available for set-off up to 10 years succeeding the year in which the MAT credit initially arose.

15. Under section 24(a) of the I.T. Act, 1961 the Company is eligible for deduction of thirty percent of the annual value of the property (i.e. actual rent received or receivable on the property or any part of the property which is let out.
16. Under section 24(b) of the Income Tax Act, 1961 where the property has been acquired, constructed, repaired, renewed or reconstructed with borrowed capital, the amount of interest payable on such capital shall be allowed as a deduction in computing the income from house property. In respect of property acquired or constructed with borrowed capital, the amount of interest payable for the period prior to the year in which the property has been acquired constructed shall be allowed as deduction in computing the income from house property in five equal installments beginning with the year of acquisition or construction.

B) To the Shareholders of the Company

Resident Members:

1. Dividend income of shareholders is exempt from income tax under section 10(34) read with Section 115-O of the Income Tax Act, 1961. As per the provisions of Section 14A of the Income Tax Act, 1961, no deduction is allowed in respect of any expenditure incurred in relation to such dividend income to be computed in accordance with the provisions contained therein. Also, Section 94(7) of the Income Tax Act, 1961 provides that losses arising from the sale/transfer of shares purchased up to three months prior to the record date and sold or transferred within three months after such date, will be disallowed to the extent dividend income on such shares are claimed as tax exempt by the shareholders.
2. Any income arising from the transfer of a long term capital asset (i.e. capital asset held for the period of 12 months or more) being an Equity Share in a company or a unit of an equity oriented fund is exempt u/s 10(38), where the transaction of sale of such equity share or unit is entered through recognized Stock Exchange on or after 1-10-2004.
3. Under section 54EC of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gain (in case not covered under section 10(38) of the Income Tax Act, 1961) arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gain are invested within a period of 6 months after the date of such transfer for a period of at least 3 years in bonds issued by – National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988; Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956;

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted within three years from the date of their acquisition. For Investment made on or after 1st day of April 2007, the exemption would be restricted to the amount which does not exceed Rupees Fifty Lacs during the financial year

4. Under Section 54F of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gains (in cases not covered under section 10(38) of the Income Tax Act, 1961 arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the Company will be exempt from capital gains tax subject to other conditions, if the net sales consideration from such shares are used for purchase of residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer.

5. As per section 74 of the Income Tax Act, 1961, Short term capital loss suffered during the year is allowed to be set-off against short-term as well as long term capital gain of the said year. Balance loss, if any, could be carry forward for eight years for claiming set-off against subsequent years short-term as well as long-term capital gains. Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years Long term capital gains.
7. Under section 111A of the Income Tax Act, 1961 capital gains arising to a shareholder from transfer of short terms capital assets, being an equity share in the company or unit of an equity oriented Mutual fund, entered into in a recognized stock exchange in India will be subject to tax at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess.
8. Under Section 112 of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961 long term capital gains (not covered under section 10(38) of the I.T. Act, 1961 arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge, education cess and secondary & higher education cess after indexation as provided in the second proviso to Section 48 or at 10% (plus applicable surcharge, education cess and secondary & higher education cess) (without indexation), at the option of the Shareholders.
9. Gift of shares of the company from other than by a relative (relative as defined u/s 56(2)) exceeding Rs 50,000 is taxable in the hand of donee being individual or HUF is taxable as income from other sources under clause vii of sub section 2 of section 56 of the Income Tax Act, 1961 with effect from 1/10/2009.
10. The value of any immovable property being land or building or both received without consideration or for inadequate consideration will be included in the computation of total income of the recipient. In a case where an immovable property is received by an individual or an HUF without consideration and the stamp duty value exceeds Rs. 50,000, the whole of the stamp duty value shall be taxed as income of the recipient. If an immovable property is received for a consideration which is less than the stamp duty value of the property and the difference between the two exceeds Rs. 50,000 (inadequate consideration), the difference between the stamp duty value of such property and such consideration shall be taxed as the income of the recipient. If the stamp duty value of the immovable property is disputed by the assessee, the assessing officer may refer the valuation of such property to a valuation officer. In such cases, the provisions of existing section 50C and section 155(15) of the income tax act shall, as far as may be apply for determining the value of such property, with effect from 1st October, 2009.

Non Resident Indians/Members other than FIIs and Foreign Venture Capital Investors:

- Dividend income of shareholders is exempt from income tax under section 10(34) read with Section 115-O of the Income Tax Act, 1961. As per the provisions of Section 14A of the Income Tax Act, 1961, no deduction is allowed in respect of any expenditure incurred in relation to such dividend income to be computed in accordance with the provisions contained therein. Also, Section 94(7) of the Income Tax Act, 1961 provides that losses arising from the sale/transfer of shares purchased up to three months prior to the record date and sold or transferred within three months after such date, will be disallowed to the extent dividend income on such shares are claimed as tax exempt by the shareholders.
- Any income arising from the transfer of a long term capital asset (i.e. capital asset held for the period of 12 months or more) being an Equity Share in a company or a unit of an equity oriented fund is exempt u/s 10(38), where the transaction of sale of such equity share or unit is entered through recognized Stock Exchange on or after 1-10-2004.
- Tax on income from investment and Long Term Capital Gains (other than those exempt u/s 10(38).

- A non-resident Indian (i.e. an individual being a citizen of India or person of Indian Origin) has an option to be governed by the provisions of Chapter XIAA of the Income Tax Act, 1961 viz. “Special Provisions Relating to certain incomes of Non-Residents”.
- Under section 115E of the Income Tax Act, 1961, where shares in the company are subscribed for in convertible Foreign Exchange by a non-resident Indian, capital gains arising to the non resident on transfer of shares held for a period exceeding 12 months shall (in cases not covered under section 10(38) of the Income Tax Act, 1961) be concessionally taxed at a flat rate of 10% (plus applicable surcharge, education cess and secondary & higher education cess) without indexation benefit but with protection against foreign exchange fluctuation under the first proviso to section 48 of the Income Tax Act, 1961. Capital gain on transfer of Foreign Exchange Assets, not to be charged in certain cases.
- Under provisions of section 115F of the Income Tax Act, 1961, long term capital gains (not covered under section 10(38) of the Income Tax Act, 1961) arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible Foreign Exchange shall be exempt from income tax if the net consideration is reinvested in specified assets 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 within three years from the date of their acquisition.
- Return of income not to be filed in certain cases Under provisions of section 115-G of the Income Tax Act, 1961, it shall not be necessary for a non-resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from.
- Under section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XIAA shall continue to apply to him in relation to certain specified investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
- Under section 115-I of the Income Tax Act, 1961, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income under section 139 the Income Tax Act, 1961 declaring therein that the provisions of this Chapter shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him, instead the other provisions of the Income Tax Act, 1961 shall apply.
- As per section 90(2) of the Income Tax Act, 1961, the provisions of the I.T. Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non Resident shareholder. Thus a non-resident shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty or Tax Information Exchange Agreement.
- Under 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 income chargeable under the head “Profit and gains of business or profession” arising from taxable securities transactions.

Foreign Institutional Investors (FIIs):

- By virtue of section 10(34) the Income Tax Act, 1961, income earned by way of dividend income from another domestic company referred to in section 115-O of the Income Tax Act, 1961, are exempt from tax in the hands of the institutional investor.

- In terms of section 10(38) of the Income Tax Act, 1961, any Long Term Capital Gains arising to an investor from transfer of long-term capital asset being an equity shares in a company would not be liable to tax in the hands of the investor if the following conditions are satisfied:
 - a) The transaction of sale of such equity shares is entered into on or after 1st October 2004.
 - b) The transaction is chargeable to such securities transaction tax.
- The income realized by FIIs on sale of shares in the company by way of short-term capital gains referred to in Section 111A of the Income Tax Act, 1961 would be taxed at the rate of 15% (plus applicable surcharge, educational cess & secondary & higher education cess on income tax) as per section 115AD of the Income Tax Act, 1961.
- The income by way of short term capital gains (not referred to in section 111A or long term capital gains (not covered under section 10(38) of the Income Tax Act, 1961 realized by FIIs on sale of shares in the company would be taxed at the following rates as per section 115 AD of the Income Tax Act, 1961.
 - Short term capital gains - 30% (plus applicable surcharge, education cess & secondary & higher education cess on income tax)
 - Long term capital gains - 10% (without cost indexation) plus applicable surcharge , education cess and secondary & higher education cess on income tax)
(Shares held in a company would be considered as a long-term capital asset provided they are held for a period exceeding 12 months).
- Under section 54EC of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gain (in case not covered under section 10(38) of the Income Tax Act, 1961 arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gain are invested within a period of 6 months after the date of such transfer for a period of at least 3 years in bonds issued by –
 - (a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;
 - (b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956;
 - (c) If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted within three years from the date of their acquisition. For Investment made on or after the 1st Day of April 2007, the exemption would be restricted to the amount, which does not exceed Rupees Fifty Lacs during the financial year.
- As per section 74 Short term capital loss suffered during the year is allowed to be set-off against short-term as well as long term capital gain of the said year. Balance loss, if any, could be carry forward for eight years for claiming set-off against subsequent years short-term as well as long-term capital gains. Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years Long term capital gains.
- As per section 90(2) if the Income Tax Act, 1961, the provisions of the Income Tax Act, 1961 would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non Resident shareholder. Thus a non-resident shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty or Tax Information Exchange Agreement (TIEA).

Venture Capital Companies/Funds

- In terms of section 10(23FB) of the Income Tax Act, 1961, income of Venture Capital company which has been granted a certificate of registration under the Securities and Exchange Board of India Act , 1992 and notified as such in official Gazette; and

- Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act , 1992 and fulfilling such conditions as may be notified in the official Gazette, set up for raising funds for investment in a Venture Capital Undertaking, is exempt from income tax,
- As per section 90(2) if the Income Tax Act, 1961, the provisions of the Income Tax Act, 1961 would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non Resident shareholder. Thus a non-resident shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty or Tax Information Exchange Agreement (TIEA)

Under the Wealth-tax Act, 1957

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

Notes:

1. All the above benefits are as per the current tax laws as amended by the Finance Act (No.2), 2009 However benefits proposed by Direct Taxes Code Bill, 2009 (which becomes law only in 2011, if passed in the Parliament) have not been considered.
2. We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document which the Company intends to submit to the Securities and Exchange Board of India, Mumbai.
3. 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/specified territory (outside India) in which the non-resident has fiscal domicile;
4. Our views expressed herein are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
5. The stated benefit will be available only to the sole/first named holder in case the shares are held by Joint holders.
6. In view of the individual nature of tax consequence, each investor is advised to consult his/her own tax adviser with respect to specific tax consequences of his/her participation in this issue and we are absolved of any liability to the shareholder for placing reliance upon the contents of this material.

The possible Tax benefits listed above are not exhaustive and 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. All reasonable care has been taken in the preparation of this

SECTION V - ABOUT US

INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is derived from a combination of various publicly available materials and sources of information and other industry sources. It has not been independently verified by our Company, the Book Running Lead Manager or financial advisors, and no representations are made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness, underlying assumptions and reliability cannot be assured. Accordingly, investment decisions should not be based on such information. Unless otherwise indicated, the figures and amounts in USD herein below have been reproduced and derived from the relevant industry sources. For the purpose of this section, certain numerical information is presented in “millions” and “billions” units.

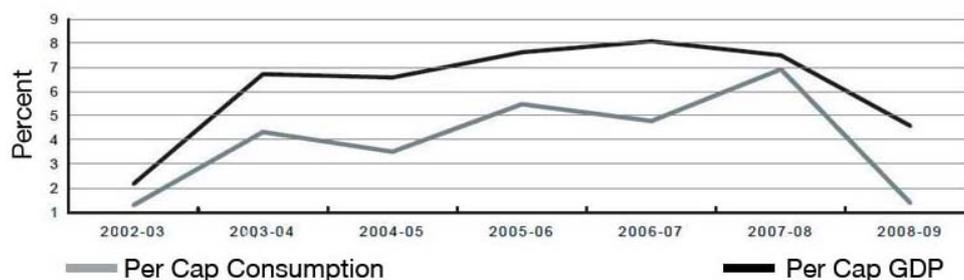
INDIAN ECONOMY

The structure of the Indian economy has witnessed extensive developments in the last few years. According to the Indian Ministry of Statistics and Program Implementation, India’s Gross Domestic Product (GDP) grew by 7.9% during the second quarter of Fiscal 2010 (the three months ended 30 September 2009) from the same period in the previous year, compared with a growth rate of 6.1% during the first quarter of Fiscal 2010.

Both per capita income and per capita consumption have increased in India over recent years. According to the Economic Survey 2008-2009 published by the Indian Ministry of Finance, per capita income in India during 2008-2009, measured in terms of GDP at constant 1999-2000 market prices, was Rs. 31,278, compared to Rs. 29,901 in 2007-2008. Per capita consumption in 2008-2009 was Rs. 17,344 as against Rs. 17,097 in 2007-2008. The growth in levels of per capita income and consumption has been battered by slowdown in GDP growth because of the global financial crisis. The growth in per capita income decelerated from 8.1% in 2006-2007 to 4.6% in 2008-2009, while the per capita consumption growth declined from 6.9% in 2007-2008 to 1.4% in 2008-2009.

The growth in per capita income and consumption for the period 2002-2003 to 2008-2009 are represented in the following graph:

Growth in per capita GDP & consumption



(Source: Economic Survey 2008-2009, www.indiabudget.nic.in)

By contributing nearly 63% of the GDP in 2007-2008, the services sector has been one of the foremost factors for the rapid growth of the Indian economy. The sector has played an increasingly dominant role in the economy accounting for 59.6% of the overall average growth in GDP in the last eight years between 2000-2001 and 2007-2008.

(Source: www.ibef.org)

The services sector has been persistent by growing in the first quarter of 2009-2010. Trade, hotels, transport and communication grew 6.1% in April-June 2009 from a year earlier. Financing, insurance, real estate and business services grew at 7.8% in April-June, 2009 from a year earlier.

(Source: www.ibef.org)

Estimates

According to the pre-Budget Economic Survey 2008-09, India could grow up to 7.5% in 2009-2010 up from 6.7% in 2008-2009, provided the global economic slowdown bottomed out by September and the government is able to implement significant economic policy reforms.

(Source: *Pre Budget Economic Survey 2008-2009*)

EXHIBITION INDUSTRY

Overview

Exhibition is an event / platform for congregation of exhibitors and visitors with an intention to gather information and meet each other to evaluate and explore business opportunities. Business exhibitions and trade shows are exhibitions held during a limited period of time in which a large number of exhibitors display their product/ technologies / business knowhow or other services with the ultimate aim of selling to the trade, industry users and bulk buyers. Exhibitions are normally associated and related to a particular industry or group.

An exhibition is one of the various methods to market goods and services in an effective manner and forms an essential component of exhibitors' marketing campaigns. Besides commercial transactions, other opportunities presented by exhibitions include meeting potential clients, customers, competitors and overseas agents. These events are mostly seen as opportunities to gain widespread publicity that eventually aid the introduction of products and services into the market. An exhibition is an excellent venue to market new products, services and technology. Manufacturers and distributors can also use this opportunity to gauge the initial response of potential buyers to these new introductions. Exhibitions are not only places for buying and selling, they act as venues of gaining knowledge and information for all exhibitors. Trade shows present a good chance for distributors to establish new agency possibilities by facilitating contact with manufacturers in the same venue. In the same way, distributors and retailers can expect to secure new sales projects and make sales promotions. Market trends, competitor moves and other forms of information can be subtly observed. Competitive analysis can be performed on the spot due to the display of competitor products and services.

The different types of exhibitions can be categorized on the basis of follows criterion:

| Criteria | Category of Exhibition |
|----------------------|--|
| Nature of exhibition | General v/s. Specialized |
| Type of exhibition | Business 2 Business (B2B) v/s. Business 2 Consumer (B2C) |

General v/s. Specialized Exhibitions

Exhibitions can be generic in nature, catering to various sectors and industries or they can be specialized exhibitions focusing on specific segments. Earlier Exhibitions used to exhibit more generalized products that focused on more than one industry. Market niches evolved as countries became more industrialized, and exhibitions with specialized themes are now conducted to meet the demands of certain market segments and industries.

Specialization is a prevalent trend in the exhibition industry today with the mushrooming of new ideas and content. As the economy matures, themes of exhibitions become more specialized. With a more defined focus, target buyer groups are more pronounced, albeit smaller in size. Themes are coordinated and organized around these selected groups. It is better to focus on a smaller relevant target audience rather than target larger irrelevant / casual visitors. Theme specialization results in a filtering effect that ensures that exhibitors do not waste time and resources focussing on uninterested buyers. Conversely, it may be

unviable commercially or otherwise, for a specialized theme exhibition, because of the relatively smaller target audience.

Business 2 Business (B2B) v/s. Business 2 Consumer (B2C)

Business exhibitions can cater to two segments primarily to the business consumer or to the end user. B2C exhibitions, such as consumer fairs, education, real-estate fairs cater to the mass public / end user, whereas B2B exhibitions, such as machinery, construction caters to the business users. It is sometimes hard to differentiate between the two. B2C exhibitions normally have larger attendance, but the area and overall revenues in B2C exhibitions is less than that of a B2B exhibition.

B2B Exhibitions

In India, B2B exhibitions are unique amongst the new and established media in enabling customers, prospects and industry thinkers, to meet face to face. Direct interaction between the buyer and seller with every person having ample choice at the same platform is the key factor that determines the business case and choice of B2B events.

Benefits of B2B Exhibitions:

- It provides a common platform to industry stakeholders like, buyers, sellers, technology providers and analysts to interact with each other.
- Buyers get ample choice to view, test and do a cost benefit analysis of their requirements under one roof.
- The seller receives visibility amongst the buyers and receives a robust sales and marketing platform
- A cost effective mode of showcasing products and services to specific target audience
- Valuable inputs and feedback is received directly from the users
- Develops a cohesiveness amongst industry bodies and members
- Provides the scale and capability to cover an industry segment or sub-segment effectively

B2C Exhibitions

B2C exhibitions directly address the product / service to the end user thus enabling the exhibitor to assess end user preferences. B2C platform is an effective method to analyze consumer behaviour and response to new or existing products / services.

Benefits of B2C Exhibitions:

- Opportunity to directly interact with consumers.
- Buyers get ample choice to view, test and do a cost benefit analysis of their requirements under one roof.
- The seller receives visibility amongst the buyers and receives a robust sales and marketing platform.
- Pro-active buyers evaluate the latest industry developments
- Valuable inputs and feedback is received directly from the end users / customers
- Face to face communication to build customer relationships

Role and Feature of the Exhibition Industry

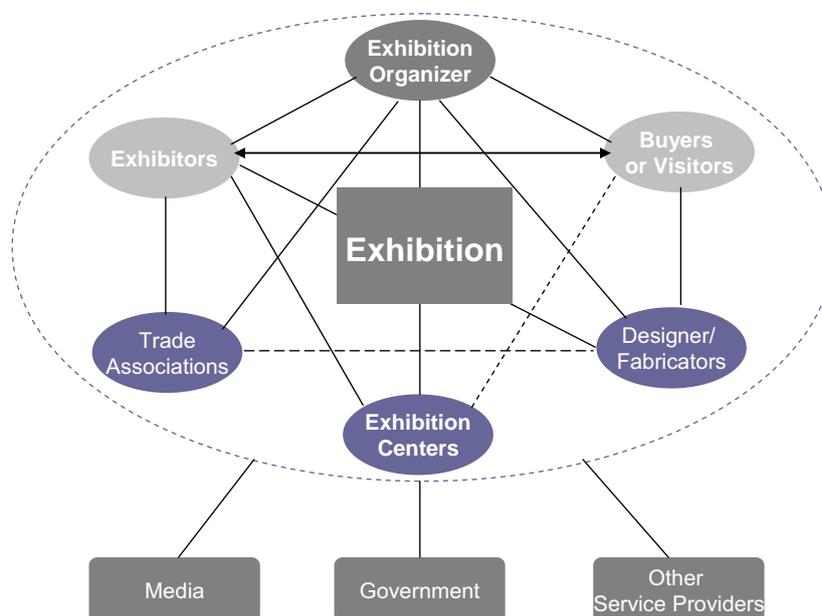
Exhibitions have become a commercial way of life because they are a cost effective way for exhibitors to meet large numbers of buyers and sellers in a short period. Whether at a local exhibition or at an international trade show, an exhibition stall is a neutral and unbiased ground where visitors can see competitor's products and compare the various options as available to them.

The essential function of every exhibition is to bridge the gap between suppliers and consumers, provide information, and show technical trends and developments, all in one time and at one place, using face-to-face communication. Exhibition is a unique opportunity for achieving trade objectives, because it is an efficient way to reach out to a diversified consumer base and do business simultaneously.

Exhibitions are also an indicator of economic and market trends, because they reflect market procedures, types and scopes of market changes, as well as directions and speed of future developments. Exhibitions are more than just a marketing tool; it is a comprehensive marketing platform. Exhibitions will continue to serve as a place for personal contacts and face-to-face communication and will continue to hold its importance in these times of increasing advent of telecommunication, media and internet.

Exhibitions form an essential component in the marketing campaigns of exhibitors. A congregation of sellers and buyers at one place allows time saving and decreases product search effort. Most exhibitors see exhibitions as opportunities to gain publicity, which will eventually help them to launch new products and services in the market. An exhibition is an excellent place to market new products, services and technology. Manufacturers and distributors also use this opportunity to gauge the response of potential buyers. Apart from providing platform for buying and selling, exhibitions act as places of learning for all exhibitors.

The key participants in the exhibition industry are exhibition organizers, exhibitors, visitors/buyers, exhibition venue provider, and designers/fabricators. Other stakeholders include media, government, and other service providers such as freight forwarders, transport and travel agents, hotels.



Exhibition Organizers

The role of an exhibition organizer is to bring together exhibitors (sellers) and visitors (buyers) at a neutral platform to interact and conduct business. There are two categories of exhibition organizers. The first category being industry bodies / trade bodies / trade associations for whom organizing exhibitions is a tool to promote their industry and trade. Such industry bodies (barring few exceptions) tend to focus on specific sectors and industries.

The second category consists of professional exhibition organizers, whose core business activity is to organize exhibitions. Their choice of hosting exhibitions is driven by various factors primarily being viability, scalability and profitability. These players tend to have presence in diverse sectors / verticals. In India they can be further categorized into domestic organizers and foreign organizers. Foreign organizers generally have presence in India either through a joint venture with some domestic organizer or through their own setup.

Exhibitors

Exhibitors are manufactures/traders/ service providers/ technology providers etc, who participate in the exhibition by renting floor space or standard stalls from the exhibition organizer to display their products and transact business. The number and quality of exhibitors determine the success and reputation of the exhibition.

Buyers/Visitors

Exhibitors are the customers of the exhibition organizers. Visitors are the customers of the exhibitors and the ultimate customers of the exhibition organizers. It is imperative for the exhibition organizer to invite and ensure presence of relevant visitors for the exhibition. This entails enhanced business opportunities for the exhibitors and improves the brand image of the exhibition.

Stall Designer/ Fabricator

Stall Designer/ Fabricator constructs the exhibition stalls based on the design finalised with the exhibitors. The stall designer/ fabricator may offer rental furniture, plants, video equipment and carry out electrical and other works. It may also have a design studio to offer design-build packages for exhibitors. The exhibition organizer normally appoints stand fitting contractors to co-ordinate and build the standard stalls, produce general signage and manage the electrical requirements of all exhibitors.

Exhibition Centres

Exhibition centres are the venues where an exhibition/expo/trade fair is held. There are two types of exhibition centres, permanent and semi-permanent. The permanent structures have fixed basic structure and support systems and have concrete flooring. The semi permanent structure can be erected and dismantled and can be moved to any desired space.

Asian Exhibition Industry Market Size & Growth

By Region

According to a research done by Business Strategy Group jointly with Union des Foires Internationales (“UFI”), the Global Association of Exhibition Industry, revenues from exhibitions in Asia increased from US\$3.25 billion in 2007 to US\$3.45 billion in 2008. China continued to extend its lead over all other Asian markets in 2008. Last year, exhibition revenues in China were US\$1.33 billion. That is an increase of nearly 20% over the 2007 figure. The next largest market, Japan, contracted by more than 4% year-on-year dropping to US\$745 million down from US\$779 million.

In terms of average revenue per exhibition, Hong Kong remains the regional leader with average revenue per exhibition of US\$4.08 million in 2008. This figure is 50% more than the next closest market – China with its average revenue per exhibition of US\$2.71 million. Only two other markets average more than US\$2 million per exhibition; Japan US\$2.07 and Thailand US\$2.05 million. Hong Kong’s wide lead is driven by its relatively small number of large-scale sourcing exhibitions, which by the standards of the region, sustain quite high prices.

Exhibition markets by estimated revenues, 2008

| Country | No. of exhibitions identified | Estimated annualized revenues (US\$) | Average revenue per sqm |
|--------------|-------------------------------|--------------------------------------|-------------------------|
| China | 493 | 1,334,142,000 | 174.45 |
| Japan | 360 | 744,979,250 | 362.21 |
| Hong Kong | 81 | 330,362,250 | 401.66 |
| Korea | 146 | 187,000,000 | 250.75 |
| Australia | 165 | 172,700,750 | 338.46 |
| India | 131 | 161,435,500 | 232.78 |
| Thailand | 71 | 145,262,000 | 323.70 |
| Singapore | 69 | 85,878,000 | 374.60 |
| Taiwan | 62 | 81,647,750 | 178.08 |
| Malaysia | 47 | 73,388,000 | 328.73 |
| Indonesia | 41 | 43,131,500 | 267.90 |
| Vietnam | 47 | 41,639,250 | 295.84 |
| Macau | 16 | 17,234,250 | 234.94 |
| Philippines | 35 | 15,565,000 | 225.13 |
| Others | 25 | 18,123,250 | 282.07 |
| Total | 1,789 | 3,452,488,750 | 284.75 |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Exhibition organizers sold 14.3 million sqm. of space to their clients in Asia in 2008. Of that total, almost 53% (vs. 51% in 2007 and 45% in 2006) was sold in China and 14.3% in Japan (vs. 17% in 2007 and 19% in 2006). Among the 1,793 exhibitions included in BSG's database, 853 or 47.5% were held in these two countries. Total net area sold grew by almost 8.7% from 13,196,000 sqm. in 2007 to 14,348,750 sqm. in 2008.

Exhibition markets by estimated net square meters sold, 2008

| Country | Estimated annual size in sqm. | Average size per exhibition in sqm. |
|--------------|-------------------------------|-------------------------------------|
| China | 7,647,500 | 15,512 |
| Japan | 2,056,750 | 5,713 |
| Hong Kong | 822,500 | 9,676 |
| Korea | 745,750 | 5,108 |
| India | 693,500 | 5,294 |
| Australia | 510,250 | 3,092 |
| Taiwan | 458,500 | 7,395 |
| Thailand | 448,750 | 6,320 |
| Singapore | 229,250 | 3,322 |
| Malaysia | 223,250 | 4,750 |
| Indonesia | 161,000 | 3,927 |
| Vietnam | 140,750 | 2,995 |
| Philippines | 80,500 | 2,300 |
| Macau | 66,250 | 4,141 |
| Others | 64,250 | 2,570 |
| Total | 14,348,750 | 8,003 |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Overall, the Asia region posted 8.7% growth in 2008 in terms of space sold, down from 14% in 2007. The fastest growing markets were Macau (69%), Taiwan (26%) and Vietnam (24%). Both Macau and Vietnam grew from a very small base and that all three markets benefited from the opening of new venue capacity. Japan was the poorest performer amongst the large markets contracting by over 6% in 2008. The best

performing major market was China, which grew by 14%. Several large markets (Korea, Hong Kong and Japan) all underperformed compared with the regional average. Malaysia, the Philippines and Indonesia all posted double digit contractions.

Exhibition space sold (net sqm.), 2007 vs. 2008

| Country | Estimated annual size in sqm, 2008 | Estimated annual size in sqm, 2007 | % Change in market size |
|--------------|------------------------------------|------------------------------------|-------------------------|
| China | 7,647,500 | 6,716,250 | 13.87% |
| Japan | 2,056,750 | 2,196,750 | -6.37% |
| Hong Kong | 822,500 | 803,750 | 2.33% |
| Korea | 745,750 | 694,500 | 7.38% |
| India | 693,500 | 648,250 | 6.98% |
| Australia | 510,250 | 445,250 | 14.60% |
| Taiwan | 458,500 | 365,000 | 25.62% |
| Thailand | 448,750 | 373,750 | 20.07% |
| Singapore | 229,250 | 206,250 | 11.15% |
| Malaysia | 223,250 | 247,250 | -9.71% |
| Indonesia | 161,000 | 186,500 | -13.67% |
| Vietnam | 140,750 | 113,500 | 24.01% |
| Philippines | 80,500 | 92,750 | -13.21% |
| Macau | 66,250 | 39,250 | 68.79% |
| Others | 64,250 | 67,000 | -4.10% |
| Total | 14,348,750 | 13,196,000 | 8.74% |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

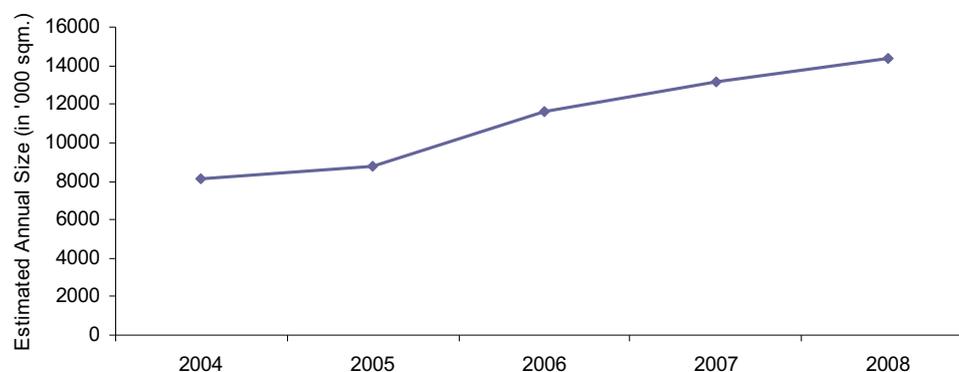
In the span of five years from 2004 to 2008, the overall exhibition market in Asia has grown at a CAGR of 15.30%. In the same period, China has expanded with a CAGR of 21% growing from 3.55 million sqm. sold in 2004 to 7.65 million sqm. sold last year. Performances in some of the large markets include India (20.63%), Hong Kong (13.19%) and Korea (10.02%). Japan was the worst performing large market, contracting by 0.60% over the five-year period.

Exhibition space sold (net sqm.), 2004-2008

| Country | Estimated annual size in sqm, 2008 | Estimated annual size in sqm, 2007 | Estimated annual size in sqm, 2006 | Estimated annual size in sqm, 2005 | Estimated annual size in sqm, 2004 | CAGR, 2004-2008 |
|--------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-----------------|
| China | 7,647,500 | 6,716,250 | 5,568,250 | 3,761,750 | 3,551,500 | 21.14% |
| Japan | 2,056,750 | 2,196,750 | 2,174,250 | 2,156,750 | 2,107,000 | -0.60% |
| Hong Kong | 822,500 | 803,750 | 776,250 | 523,250 | 501,000 | 13.19% |
| Korea | 745,750 | 694,500 | 528,000 | 515,250 | 509,000 | 10.02% |
| India | 693,500 | 648,250 | 431,500 | 475,250 | 327,500 | 20.63% |
| Australia | 510,250 | 445,250 | 410,250 | N/A | N/A | N/A |
| Taiwan | 458,500 | 365,000 | 409,750 | 341,000 | 301,250 | 11.07% |
| Thailand | 448,750 | 373,750 | 380,500 | 274,250 | 211,750 | 20.65% |
| Singapore | 229,250 | 206,250 | 201,500 | 182,000 | 179,250 | 6.34% |
| Malaysia | 223,250 | 247,250 | 246,000 | 165,500 | 120,450 | 16.68% |
| Indonesia | 161,000 | 186,500 | 169,500 | 171,000 | 123,250 | 6.91% |
| Vietnam | 140,750 | 113,500 | 109,000 | 63,500 | 28,250 | 49.40% |
| Philippines | 80,500 | 92,750 | 114,000 | 124,250 | 120,250 | -9.55% |
| Macau | 66,250 | 39,250 | N/A | N/A | N/A | N/A |
| Others | 64,250 | 67,000 | 61,500 | 41,250 | 38,000 | 14.03% |
| Total | 14,348,750 | 13,196,000 | 11,580,250 | 8,795,000 | 8,118,450 | 15.30% |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Total Exhibition space sold (net sqm in Asia excluding, Australia)



(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

By Industry Segments

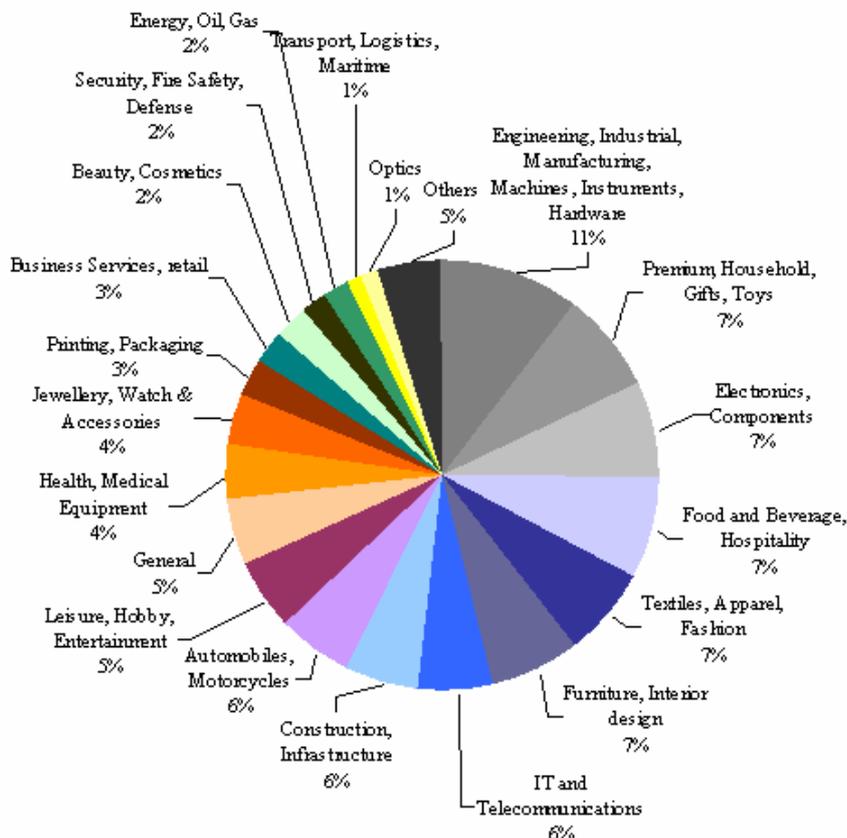
Engineering / industrial continues to be the largest category in terms of both space sales and revenues. Revenues generated by the engineering / industrial are the largest by a wide margin – US\$365 million vs. US\$257 million in the second largest category, premium, household, gifts and toys. Four other categories i.e. electronics & components, food & beverage, textiles & apparel and furniture recorded revenues of more than US\$200 million.

Top 20 Industries in exhibitions, 2008 estimated revenues

| Industry | Estimated annual revenues (US\$) |
|---|----------------------------------|
| Engineering, Industrial, Manufacturing, Machines, Instruments, Hardware | 365,157,500 |
| Premium, Household, Gifts, Toys | 257,124,250 |
| Electronics, Components | 256,411,500 |
| Food and Beverage, Hospitality | 253,890,000 |
| Textiles, Apparel, Fashion | 235,884,250 |
| Furniture, Interior design | 227,023,250 |
| IT and Telecommunications | 194,800,750 |
| Construction, Infrastructure | 193,163,500 |
| Automobiles, Motorcycles | 190,708,250 |
| Leisure, Hobby, Entertainment | 180,225,750 |
| General | 168,068,250 |
| Health, Medical Equipment | 144,865,000 |
| Jewellery, Watch & Accessories | 134,906,000 |
| Printing, Packaging | 100,278,250 |
| Business Services, retail | 88,650,750 |
| Beauty, Cosmetics | 82,735,000 |
| Security, Fire Safety, Defense | 66,828,250 |
| Energy, Oil, Gas | 64,835,000 |
| Transport, Logistics, Maritime | 44,424,250 |
| Optics | 43,924,250 |
| Others | 164,852,500 |
| Total | 3,458,756,500 |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Top 20 Industries in exhibitions, 2008 estimated revenues



(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

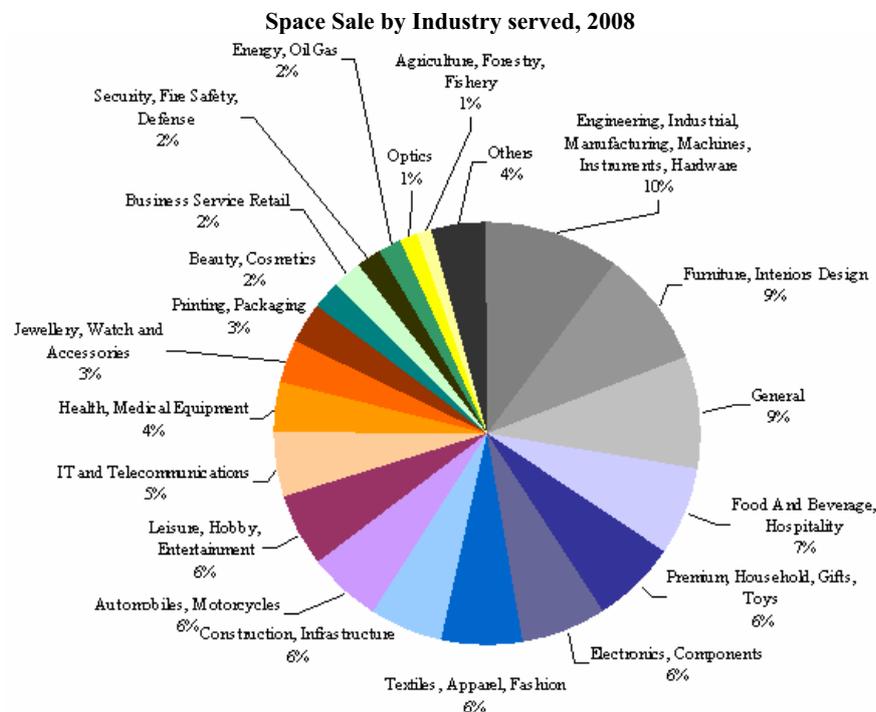
The top two categories, engineering/industrial and furniture remained unchanged this year accounting for 1.48 million sqm. and 1.27 million sqm. respectively. The general category moved up two places rising from 5th in 2007 to 3rd this year with 1.25 million sqm. The food & beverage category jumped from the 6th position to the 4th position with over 957,000 sqm. The premium, household, gifts and toys category fell from 4th to 5th with 908,250 sqm. sold. Overall, space sales increased by 8.7%.

There is particularly no dominant industry in Asia's exhibition sector. Only the engineering/industrial category accounts for more than 10% of the market in Asia. The furniture and general categories each account for approximately 9% and food & beverage holds a 7% market share.

Top 20 Industries in exhibitions, 2008 space sales

| Industry | Estimated annual size in sqm. |
|---|-------------------------------|
| Engineering, Industrial, Manufacturing, Machines, Instruments, Hardware | 1,476,000 |
| Furniture, Interiors Design | 1,272,250 |
| General | 1,249,750 |
| Food And Beverage, Hospitality | 957,250 |
| Premium, Household, Gifts, Toys | 908,250 |
| Electronics, Components | 897,500 |
| Textiles, Apparel, Fashion | 878,500 |
| Construction, Infrastructure | 818,250 |
| Automobiles, Motorcycles | 801,000 |
| Leisure, Hobby, Entertainment | 795,750 |
| IT and Telecommunications | 696,000 |
| Health, Medical Equipment | 579,250 |
| Jewellery, Watch and Accessories | 465,000 |
| Printing, Packaging | 458,500 |
| beauty, Cosmetics | 316,750 |
| Business Service Retail | 315,750 |
| Security, Fire Safety, Defense | 285,500 |
| Energy, Oil Gas | 223,000 |
| Optics | 191,750 |
| Agriculture, Forestry, Fishery | 174,000 |
| Others | 588,750 |
| Total | 14,348,750 |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)



(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Exhibition Venues

Since 2005, the number of venues has increased from 101 to 165. In 2008, the year-on-year total number of venues increased 3.9%. China is now home to 53% of the venues in Asia and 65% of the all the available space in Asia – more than 10 times the next largest market, Japan (3.64 million sqm. vs. 0.35 million sqm.). By the end of 2009, there will be 87 venues in China, while Japan, India and Korea will each have 12 venues. Each of China, Korea and Singapore will add one new venue in 2009.

Following is a comprehensive list of purpose-built exhibition centres in Asia excluding Australia, capable of hosting a major exhibition-

Number and size of international exhibition centres in Asia end 2009

| Country | No. of Centres | 2009 Total Gross Indoor Size in sqm. |
|--------------|----------------|--------------------------------------|
| China | 87 | 3,634,489 |
| Japan | 12 | 350,606 |
| India | 12 | 257,457 |
| Korea | 12 | 223,326 |
| Thailand | 7 | 209,905 |
| Singapore | 4 | 203,600 |
| Hong Kong | 3 | 151,920 |
| Australia | 8 | 115,242 |
| Taiwan | 4 | 105,409 |
| Macau | 2 | 76,715 |
| Malaysia | 4 | 71,292 |
| Vietnam | 4 | 33,793 |
| Indonesia | 3 | 31,656 |
| Philippines | 1 | 8,300 |
| Others | 2 | 39,045 |
| Total | 165 | 5,512,755 |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

The growth of exhibition space available in Asia has recently slowed down as compared to the last five years. In 2005, BSG estimated that the total space available in the region is 3.5 million sqm. By the end of 2009, BSG expects that figure to be over 5.5 million sqm. – an increase of 57% in just four years. By the end of 2010, the available space is expected to increase by just 7% compared with 2008. Though, towards the end of 2010, only four markets of China, Korea, Singapore and Hong Kong are anticipated to add capacity. HKCEC in Hong Kong is expected to increase its capacity by 20,000 sqm. The Marina Bay Sands will add 41,000 sqm. to Singapore's capacity. China and Korea will boost their space capacity by 7% and 23% respectively by the end of 2010.

The following table presents estimates of the likely growth in available exhibition space in the Asia region by 2010. This is primarily based on announced expansion plans.

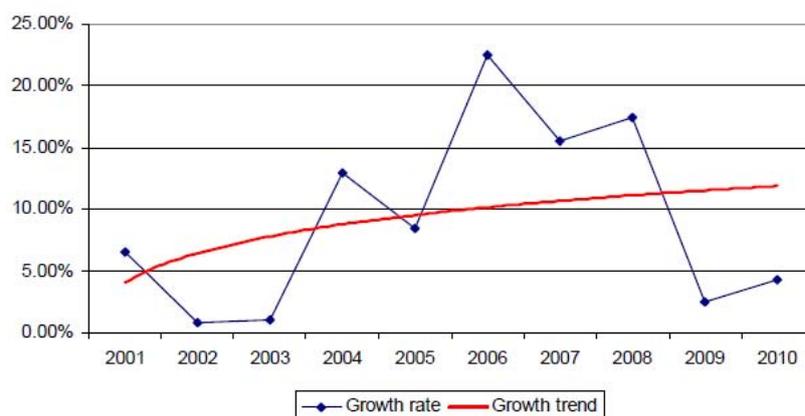
Expected growth in exhibition centre space in Asia 2008 – 2010

| Country | No. Of centres, 2008 | Total Gross Indoor Size, 2008 | Total Gross Indoor Size, 2009 | Total Gross Indoor Size, 2010 | % change 2008-2010 |
|--------------|----------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|
| China | 86 | 3,610,489 | 3,634,489 | 3,861,593 | 6.95% |
| Japan | 12 | 350,606 | 350,606 | 350,606 | 0.00% |
| India | 12 | 257,457 | 257,457 | 257,457 | 0.00% |
| Korea | 11 | 181,556 | 223,326 | 223,326 | 23.01% |
| Thailand | 7 | 209,905 | 209,905 | 209,905 | 0.00% |
| Singapore | 3 | 162,600 | 203,600 | 203,600 | 25.22% |
| Hong Kong | 3 | 132,520 | 151,920 | 151,920 | 14.64% |
| Australia | 8 | 115,242 | 115,242 | 115,242 | 0.00% |
| Taiwan | 4 | 105,409 | 105,409 | 105,409 | 0.00% |
| Macau | 2 | 76,715 | 76,715 | 76,715 | 0.00% |
| Malaysia | 4 | 71,292 | 71,292 | 71,292 | 0.00% |
| Vietnam | 4 | 33,793 | 33,793 | 33,793 | 0.00% |
| Indonesia | 3 | 31,656 | 31,656 | 31,656 | 0.00% |
| Philippines | 1 | 8,300 | 8,300 | 8,300 | 0.00% |
| Others | 2 | 39,045 | 39,045 | 39,045 | 0.00% |
| Total | 162 | 5,386,585 | 5,473,710 | 5,739,859 | 6.56% |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Following figure clearly shows that the five-year period of rapid expansion of capacity in Asia has come to an end. The strong build out phase began in 2004, but in the next two years, expansion will be at the lowest levels since 2003. After hitting a high of 22.5% in 2006, venue capacity is expected to grow by approximately 7% through to the end of 2010. However, a number of new venue and expansion projects are under consideration and possible additional growth in Hong Kong, Shanghai, Korea and India over the next 3 – 5 years is anticipated.

Exhibition space growth 2000 - 2010



(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

INDIAN EXHIBITION INDUSTRY

In 2008, the Indian exhibition market had an estimated value of \$161 million. Although small, as compared to other markets, the Indian exhibitions market has grown astoundingly till 2008, because of the rapid development of the Indian economy. 2009 is seeing a slow growth due to the recession, but this is expected to recover and increase again by 2010.

India ranks third in terms of capacity available after Japan and China, but India's total gross indoor space available is a small fraction of China's (257,457 sqm v/s. 3,610,489 sqm.). However, in terms of space sold, India still ranks fifth in Asia after China, Japan, Hong Kong and Korea. Until the issue of a lack of large, modern venues is addressed, the Indian market will be hard-pressed to realize its potential as an industry leader in Asia. However, despite of this challenge, the Indian market continues to receive considerable attention from international organizers: UBM Asia, Tarsus, Reed Exhibitions and Global Sources Limited each has a significant portfolio of exhibitions in India.

Exhibition Industry Statistics, India

| Particulars | 2008 | 2007 |
|--------------------------|-------------|---------|
| Exhibition Venues | 12 | 12 |
| Venue space (sqm.) | 257,457 | 257,457 |
| Major Exhibitions | 131 | 113 |
| Net area sold | 693,500 | 648,250 |
| Estimated Revenue (US\$) | 161,435,500 | NA |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Exhibition Venues in India

The number of venues in India is not expected to change by the end of 2010 as high-profile development projects in Delhi and Mumbai have been put on hold due to the economic crisis. The lack of sufficient number of high-quality venues in India continues to be one of the most significant constraints on growth in this market. The lack of appropriate exhibition space will therefore continue to limit any rapid development of the Indian exhibition business, particularly as compared to the fast-growing exhibition markets in China and in the Middle East's Gulf Countries. There are only 12 venues in India whereas there are 86 in China. New Delhi is ahead in the exhibition business in India taking the lead in available purpose built exhibition space followed by Mumbai and other emerging cities such as Bangalore, Chennai and Hyderabad.

Key venues are concentrated in New Delhi and Mumbai with three of the largest five venues located here. Total available indoor exhibition space is estimated at 2,57,000 sqm.

Major Exhibition Venues in India

| Exhibition Centre | City | 2008 Gross indoor size | 2009 Gross indoor size | 2010 Gross indoor size | No. Of halls |
|---|------------|---------------------------------|---------------------------------|---------------------------------|--------------------|
| Pragati Maidan | New Delhi | 62,977 | 62,977 | 62,977 | 17 |
| Bombay Exhibition Centre | Mumbai | 40,683 | 40,683 | 40,683 | 4 |
| Bangalore International Exhibition Centre | Bangalore | 40,000 | 40,000 | 40,000 | 3 |
| India Expo Centre Expo XXI | New Delhi | 28,000 | 28,000 | 28,000 | 4 |
| Trade Centre Bangalore | Bangalore | 20,000 | 20,000 | 20,000 | 4 |
| Godrej Work | Mumbai | 20,000 | 20,000 | 20,000 | 2 |
| Chennai Trade Centre | Chennai | 17,600 | 17,600 | 17,600 | 4 |
| HITEX Hyderabad International Expositions Limited | Hyderabad | 10,500 | 10,500 | 10,500 | 3 |
| Codissia Trade fair Complex | Coimbatore | 10,250 | 10,250 | 10,250 | |

| | | | | | |
|--------------------|---------|----------------|----------------|----------------|-----------|
| India fair Complex | Tirupur | 2,750 | 2,750 | 2,750 | 3 |
| Nehru Centre | Mumbai | 2,351 | 2,351 | 2,351 | 5 |
| World Trade Centre | Mumbai | 2,346 | 2,346 | 2,346 | |
| Total | | 257,457 | 257,457 | 257,457 | 49 |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

One of the reasons hindering faster growth of the exhibition sector in India is the lack of high quality exhibition space. Bangalore's BIEC offers the same indoor space as the Bombay Exhibition Centre (BEC) at 40,000 sqm. The fifth largest venue in India, HITEK in Hyderabad is comparatively small at 10,500 sqm.

Other large markets in Asia Region

China

With an estimated market size of US\$1.33 billion, China is Asia's largest and most important exhibition market. The exhibition market in China has been growing by double digits for more than six years and the continuously expanding number of high-quality venues opens up opportunities for organizers in tier two and tier three cities in China. Significant challenges include a legal and regulatory environment which is improving, but is still often unclear and a highly fragmented market. There are large number of exhibitions with similar names and similar themes competing for business in the local markets. However, in 2009, the exhibition market in China should continue to be one of the best performers on the back of an expected GDP growth of 6.5%.

Exhibition Industry Statistics, China

| Particulars | 2008 | 2007 |
|-----------------------------|---------------|-----------|
| Exhibition Venues | 86 | 79 |
| Venue space (sqm) | 3,610,489 | 2,931,919 |
| Major Exhibitions | 493 | 456 |
| Net area sold (sqm) | 7,647,500 | 6,716,250 |
| Estimated Revenue (in US\$) | 1,334,142,000 | NA |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Singapore

Another major market in Asia is Singapore. It hosted 69 exhibitions in 2008 up from 52 in 2007. Exhibition industry revenues were US\$85.9 million on the back of space sales of 229,250 sqm. Growth in the exhibition market in Singapore in the year 2008 was 11% in terms of space sold, slightly above the regional average of 9%. This year the Las Vegas Sands Corporation is expected to open its integrated resort Marina Bay Sands, which will feature a 41,000 sqm. exhibition centre opening in April 2010. This will lift Singapore's capacity from 162,600 sqm. to 203,600 sqm. Strong government support for the industry and a new high quality venue opening this year, Singapore's long term growth prospects remain positive.

Exhibition Industry Statistics, Singapore

| Particulars | 2008 | 2007 |
|--------------------------|------------|---------|
| Exhibition Venues | 3 | 2 |
| Venue space (sqm) | 162,600 | 122,600 |
| Major Exhibitions | 69 | 52 |
| Net area sold (sqm) | 229,250 | 206,250 |
| Estimated Revenue (US\$) | 85,878,000 | NA |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Hong Kong

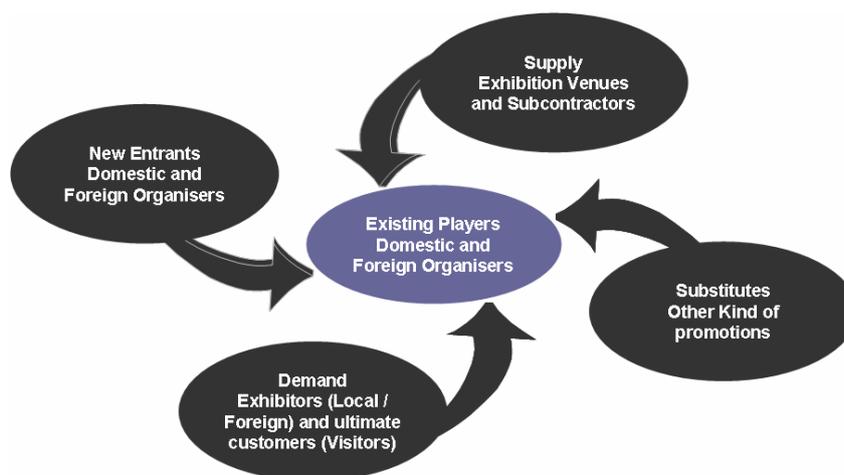
In Hong Kong, two major competing venue's exhibition business is focused on hosting exhibitions featuring consumer products mainly manufactured in South China. These trade exhibitions attract a large number of international buyers as visitors and Chinese manufacturers as exhibitors. Both venues are pushing to expand their available floor space.

Although the economy in Hong Kong is expected to contract by ~7% in 2009, the trade exhibition industry is likely to be less hit. The importance of the sourcing exhibitions in Hong Kong combined with financial support for the industry (i.e. subsidies and incentives for exhibitors, visitors and organizers) should insulate the exhibition industry from the economic downturn.

| Particulars | 2008 | 2007 |
|-----------------------------|-------------|---------|
| Exhibition Venues | 3 | 3 |
| Venue space (sqm) | 132,520 | NA |
| Major Exhibitions | 85 | 84 |
| Net area sold (sqm) | 822,500 | 803,750 |
| Estimated Revenue (in US\$) | 330,362,250 | NA |

(Source: "Trade Fair Industry in Asia, 5th Edition 2009" An UFI Report, by Business Strategy Group)

Key characteristics of the Exhibition Industry



Bargaining Power of Exhibitors (Buyers)

A new exhibition is vulnerable, since it does not have any bargaining power with the exhibitors, who pay space rental to exhibition organizers. Exhibitors are able to extract many favours, such as price discounts and prime corner locations. However, with a successful exhibition, the exhibitors are less demanding and would rather have a good location than a price discount.

Bargaining Power of Suppliers

In cities where there is a constraint on availability of exhibition venues, the venue owner (main supplier) has significant bargaining power. Considering the shortage of exhibition venues, it is at the discretion of the venue owners to allot the space; hence the exhibition organizers have to plan well in advance about their events so as to ensure timely availability of the venue. Whenever a new, better-located and equipped exhibition centre is built, new opportunities are offered to the entrants who rent earliest in that centre, and the competitive advantage of the existing EO in the old centre can change.

Barriers to Entry for New Entrants

There exist no prima facie substantial entry barriers in the exhibition industry since it is not capital intensive. Yet the entry barriers for continuous success are developing new brands over a period of time, adequate domain knowledge, establishing and maintaining relationship with industry associations, attracting visitors and scaling up the existing exhibitions. Hence the entry barriers for small exhibition are low, but scaling up and executing larger and more number of exhibitions is a challenge.

Substitutes - Other Kinds of Promotions

Though, exhibition is one of the several method of marketing and promotion of products and services, it still is a very effective method. It brings the exhibitors and visitors with an intention to gather information and meet each other to evaluate and explore business opportunities and plays a pivotal role during the interest and awareness stages of the industrial buying process. Still, other kinds of marketing methods can attract a bigger share of the promotion budget at different stages of the product life cycle.

BUSINESS OVERVIEW

Any references to ‘the Group’ in this section collectively refers to business activities carried out by ‘Asian Business Exhibitions and Conferences’ proprietary concern of Sumit Gandhi up to April 30, 2007; ‘Indian Exhibitions & Conferences’ - proprietary concern of Manish Gandhi up to April 30, 2007; and ‘Media Eleven’- proprietary concern of Satinder Pal Kaur up to April 30, 2007; ‘Oil Asia Journal’ - proprietary concern of Surendra Gandhi up to May 07, 2007; ‘Oil Asia Journal (Symposium Division)’ - proprietary concern of Surendra Mohan Singh Gandhi HUF up to May 07, 2007; and ‘Oil Asia Publication Private Limited’ up to March 31, 2009.

Any reference to “We” in this section collectively refers to our Company and Oil Asia Publication Private Limited.

Overview

Our Company is the ‘largest domestic organizer’ in the Indian exhibition market, having ~6% market share, a portfolio of around 19 exhibitions consisting of ~63 events and spread over 11 verticals. We organize a gamut of exhibitions and events ranging from exhibitions, trade fairs to conferences across India.

(Source: ExhiConEvents, ‘India’s only Magazine on Exhibitions & Events’, VOL – 6, Issue 1, January - 2010)

We organize our own exhibitions and specialize in planning, organising and hosting exhibitions / events from conceptualization to completion. With more than 15 years of experience in the exhibition industry, and successful organization of over 150 Events in the last 5 years, the Group, believes that it has an established brand name in the industry. Over the years we and the Group have developed an expertise in planning and executing exhibitions in both the formats, namely Business to Business “B2B” and Business to Consumer “B2C”. We currently organize a number of exhibitions having pan India presence, including ACETECH, Education Boutique, Education Expo, Education Forum, Property Expo, Realty Expo, Business Spaces, IORS, Glitter, Glamour, Asia IT Expo, AV Revolution.

We own and manage more than 60 Events and industry specific trade shows annually, all over India, for a diverse range of businesses. Our Company and the Group has over 15 years of experience in organizing B2B exhibitions of various sizes and scales across India. While our B2B exhibitions cover a broad range of verticals/segments ranging from infrastructure (architecture, construction, building materials), information technology, audio visual products, real estate and property, textiles machinery, printing technology, paper & packaging machinery, as well as safety and fire prevention; our B2C exhibitions are targeted towards the masses and provide a platform to the exhibitors to interact directly with their customers. Our B2C exhibitions cover segments such as real estate, education, high end consumer products (Jewellery, bridal designer wear, fashion wear).

Our core expertise includes:

- Conceptualizing new ideas and themes around which exhibitions can be organized
- Enlisting support and association of relevant trade bodies and industry associations
- Marketing the exhibition to relevant exhibitors (Clients)
- Attracting relevant visitors through adequate publicity and advertisement to make exhibition a success.
- Hosting the exhibition

We publish trade journals and trade guides that support and compliment our exhibition business. ‘Oil Asia’ magazine, published by our 100% subsidiary, Oil Asia Publication Private Limited, is a bi-monthly magazine on oil & gas, petrochemicals, energy and power sector. Oil Asia Journal has been publishing this magazine since the last two decades. Our Company also publishes ‘ABEC Trade Guide’, a B2B focused monthly magazine, which brings exhibition related data on products, trends and other trivia. The publication features articles, which include information on subjects as diverse as jewellery or construction or safety and security products. It also contains a variety of informative advertisements on various products and services.

Our standalone total income for the financial year ended March 31, 2008, March 31, 2009 and six months period ended on September 30, 2009 was Rs. 2,756.79 lacs, Rs. 4,564.28 lacs and Rs. 1,517.12 lacs respectively. Our consolidated total income for the half year ended September 30, 2009 was Rs. 1,623.05 lacs. Our standalone profit after tax for the financial year ended March 31, 2008, March 31, 2009 and six months period ended on September 2009 was Rs. 239.92 lacs, Rs. 496.01 lacs and Rs. 380.41 lacs respectively. Consolidated profit after tax for the half year ended September 30, was Rs. 421.26 lacs.

Our Competitive Strengths

We believe that our competitive strengths are:

An established brand name with a reputation of quality exhibitions

Our Promoters have been organizing exhibitions under the brand name of 'Asian Business Exhibitions and Conferences' for over 6 years. They have been organizing fairs, conferences and corporate launches since 1994 thus have an experience of over one and a half decade in conducting the said business. Hence, we believe we have established a reputed brand name in the exhibition industry due our organizing capabilities and scalability of our exhibitions. We believe customers identify us as a brand synonymous in India with international standards services quality. As a result, we enjoy customer confidence, enhancing our ability to promote new ideas for exhibitions. We believe that our brand gives us a competitive advantage and the faith which exhibitors repose on us that allows us to command and provide premium services, when entering new markets and new verticals.

From 'Concept' to 'Completion'

We are in the field of organizing exhibitions. We not only host the exhibition but initiate from conceptualizing new themes, conducting a market survey, organizing seminars – discussions by inviting well known people from the relevant industry, marketing the exhibition, creating awareness about the event through promotions, hosting the event and finally completing the event by obtaining feedback of exhibitors and participants.

Innovativeness

Our Company has always focused on conducting exhibitions in new verticals thereby tapping new markets and de-risking our business model. We believe in doing exhibitions which are focused on certain segments and have the requisite growth potential. We further seek to derisk ourselves by moving across the value chain. Similarly building SPEC would insulate us from infrastructure bottlenecks and will provide us greater flexibility to organize our exhibition. Acquisition of new exhibitions will help us in straddling across more verticals. We believe that the success and scalability of our exhibitions lie in innovative themes and ideas that drive more business visitors and exhibitors to our exhibitions.

Tie-up with BCCL, Industry Association and Trade Bodies to promote and strengthen our exhibitions

Our Company has entered into a media promotion arrangement with BCCL in respect of specific and topical trade shows and exhibitions to be organized by our Company and promoted by BCCL in various cities all over India. These include ACETECH, Education Boutique, Education Expo, Education Forum, Property Expo, Realty Expo, Business Spaces, IORS, Glitter, Glamour, Asia IT Expo, AV Revolution. Our tie-up with BCCL provides us with the benefits due to their strong brand, wide coverage in promoting and publicizing of the event and access to clients. For further details of the said arrangement as mentioned above refer chapter titled "*History and Other Corporate Matters*" beginning on page 99 of the Draft Red Herring Prospectus.

We also garner industry support from various industry association which includes Indian Stainless Steel Development Association, All India Granites & Stone Association, The Ideal Home & Garden, Federation Of Ceramic Industry, Mumbai Mudrak Sangh and All India Doors Windows Manufacturers Dealers Accessories Association (AIDWA) and trade bodies for B2B exhibitions for a specific industry, this

provides the exhibitors with a more focussed business visitor, thereby improving quality of the exhibition and improving the business opportunities.

Large Scale Operations

Due to the large scale of our exhibition organizing business, we are able to benefit from economies of scale, which includes the lower exhibition costs, preference over smaller players when dealing with our suppliers, which includes Aimsite, Nesco Limited, Dhote Offset Technokrafts Private Limited and Eagle Hunter Solutions Private Limited, providing exhibitors a wider geographical choice for participation, nation wide coverage of our sales teams. In addition, we benefit from the ability to leverage our marketing relationships across geographies and sectors. Further, we intend to leverage upon these relationships when expanding into new markets and new business verticals.

Relationship with customers

The quality of customer service is the key element for a successful exhibition. We have built robust relationship and confidence with customers through our ability to provide them with comprehensive services and quality exhibitions to meet their relevant customers. For our Company, experience of the exhibitor and the visitor is of utmost importance. We continuously monitor and improve our service quality to ensure high exhibitor participation and relevant visitor turnout. We conduct surveys with exhibitors after each exhibition for their feedback, which is then incorporated in the next year's event. This relationship also helps us in guiding through the technical and knowledge intensive part of exhibition. The table below mentions, among many, some of our esteemed customers:

| SOME OF OUR ESTEEMED CUSTOMERS | | |
|---|---|--|
| Samsung India Electronics Private Limited | RNA Corp | Hoerbiger India Private Limited |
| Godrej Properties Limited | Vijay Associates (Wadhwa) | Verbatim Marketing India Private Limited |
| The Advantage Raheja | Royal Palms India Private Limited | Institute For Technology & Management |
| Lodha Group Of Company | Karrox Technologies | Varuna D Jani Fine Jewellery Private Limited |
| K Raheja Corp | Trimax IT Infrastructure & Services Limited | Panache Infotech Private Limited |
| Quick Heal Technologies Private Limited | Frameboxx Animation | SK Oilfield Equipment Co. Private Limited |
| Kingston Technology | Dhananjay Industrial Engineer Private Limited | OilField International |
| Euro Ceramics Limited | Jet Gems | Oriental Trimex Limited |
| Kajaria Ceramics Limited | Oil & Maritime, Austral Asia Maritime Group Company | |
| Kohinoor - IMI School of Hospitality management | Jusra International Jewels | |
| Bennett Coleman Company Limited | Sejal Architectural Glass Limited | |
| | Ajmera Realty & Infra India Limited | |

Diversified customer base

We have a well diversified customer / exhibitor base. We have over 1,500 exhibitors participating in our Exhibitions and Events across different verticals. Our revenues are not concentrated from a certain set of exhibitors. Our top 10 customers contributed only 17.33% of our revenues for Fiscal 2009.

Strong management Team

We have an executive management team that has a blend of media industry experts and professionals from different industries. Our Promoter, Surendra Gandhi has over 15 years of experience in organizing exhibitions. Further, Sumit Gandhi and Manish Gandhi have successfully organized various Exhibitions since the last 6 years. They have been instrumental in the consistent growth of our Company and have the requisite experience of marketing and organizing exhibitions.

Successfully conducting exhibitions across India

We have been conducting events in 27 cities across India. We have successfully launched our events in markets such as Maharashtra, Karnataka, Punjab, Andhra Pradesh, Rajasthan, Uttar Pradesh, West Bengal, Assam etc. As we have entered into these markets, we have gained valuable insights into critical factors for developing and executing strategies to enter new geographies and successfully organizing exhibitions. We have been able to attract exhibitors in various cities as well as visitors by our promotional strategies.



Our Business Strategy

Our Company is growing rapidly in terms of space sold, exhibitions size and number of exhibitors over the years. Going forward our Company intends to continue our growth on the same model by further growing the size of our Exhibitions, adding the number of exhibitions in our portfolio through organic and inorganic route, entering into new verticals to diversify the potential risk and to move across the value chain by entering into various aspects of exhibition value chain.

In order to strengthen our position, to grow our national footprint and to increase our presence across various sectors, we intend to pursue the following strategies:

Capitalise on our existing developed Exhibitions and increase their geographic reach

We already have certain established exhibitions being conducted in various cities, going forward we intend to increase the number of cities where these events are being held thereby reaching out to newer geographies and creating value for our exhibitors. Currently we have identified certain of our Exhibitions like ACETECH, Business Spaces, Asia IT expo, IORS, Glamour, Shagun, Glitter, Asia Packtech, and ISSDM Expo, which we intend to organize in other cities such as Delhi, Bangalore, Kolkata, Chennai, Hyderabad and upcoming markets. This will enable us to cross sell our established Exhibitions to the same exhibitors for different locations, thereby providing them an opportunity to showcase their products to new audiences and in the process reducing the incremental amount we spend on selling space to exhibitors.

Setting up overseas sales / representative offices

The immense potential of international clients remains untapped due to lack of our presence in international markets. The Indian exhibition industry is in a very nascent stage as compared to the global exhibition industry. Presently, we derive almost entire revenue from domestic clients for our Indian exhibitions. As part of our growth strategy, we intend to have more participation for our domestic exhibitions from international clients. Currently we have participation from international brands in our domestic exhibitions through their Indian representative offices/dealers. Direct participation by international exhibitors will result in substantially higher realization rates. As part of our business strategy, we are planning to open sales/representative offices in Singapore, London, Shanghai and Dubai, which would cover major exhibition markets of Asia and Europe.

Launch New In-house Exhibitions

In addition to organizing exhibitions on a regular basis, our Company continuously develops new brands of exhibitions and diversifies the scope of our existing businesses. Our Company is currently creating in-house brands through the organic route and to further fuel our growth, are proposing acquisition of brands through the inorganic route. We intend to launch various new exhibitions in segments like interior designing, hospitality, real estate, pharmaceuticals, capital goods, automobiles and mining in the next 10-12 months. We are in the advanced stage of launching various exhibitions. Asia Design & Splendour, Asia Hospitality Expo, Real Estate Investment Forum;

Entering new verticals by acquisition of Exhibition Brands

To diversify our portfolio of existing exhibitions, we intend to acquire exhibition brands in travel, minerals, metal & metallurgy, paper & packaging, pharmaceutical ingredients, and bio organic verticals in India, which we believe have substantial potential and can be scaled up considerably from their current size. These acquisitions will result in diversification and will reduce dependence on any particular sector / vertical.

Move across value chain - backward and forward integration

The exhibition value chain refers to the various exhibition components and services that collectively support and compliment each other in conducting an exhibition.

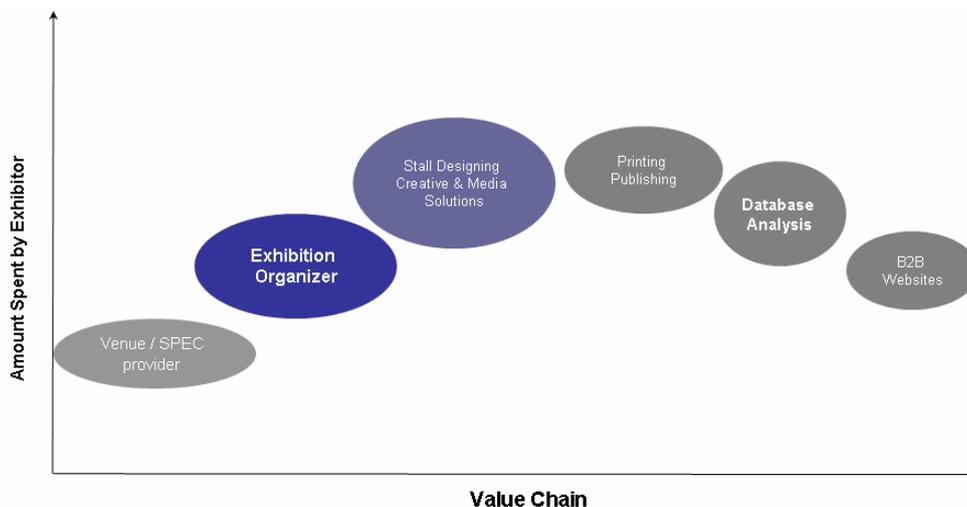
The intermediaries and other service providers at the backend supporting the exhibition organizer include venue provider, utilities providers like hangar provider, octanorm provider, HVAC provider and other utilities.

Other specialised and niche complimentary services providers include stall designers, stall fabricators, creative solutions for exhibitions, media agencies catering specifically to exhibition marketing and advertising strategies.

Another aspect of the exhibition value chain includes collating information, analysing data, printing and publishing and operating B2B / B2C websites.

Currently we are into organizing exhibitions and publishing journals and trade magazines complimenting our exhibitions. Going forward we intend to move across the value chain by owning our semi permanent exhibition centre (backward integration) as well as having in-house capabilities of stall designing and fabrication (forward integration).

We believe that by moving across value chain through backward and forward integration, we will become a full-fledged exhibition powerhouse and provide one stop shop for all exhibition services, which will provide us a competitive advantage over other. It will also help us in reducing our dependence on third party service providers, improving the quality of our services and thereby improving exhibitor and visitor experience and satisfaction.



Our Business

Our Company is a leading player in the exhibition industry and organizes a number of exhibitions/events. Currently, we organize over 19 exhibitions, in 11 verticals, comprising of ~63 events, spread over 27 cities across the Country.

(Source: ExhiConEvents, 'India's only Magazine on Exhibitions & Events', VOL – 6, Issue 1, January - 2010)

Our exhibitions can broadly be categorized in B2B or B2C platforms.

B2B Exhibitions

In India, B2B exhibitions are unique amongst the new and established media in enabling customers, prospects and industry thinkers, to meet face to face. Direct interaction between the buyer and seller with every person having ample choice at the same platform is the key factor that determines the business case and choice of B2B events.

Benefits of B2B Exhibitions:

- It provides a common platform to industry stakeholders like, buyers, sellers, technology providers and analysts to interact with each other.
- Buyers get ample choice to view, test and do a cost benefit analysis of their requirements under one roof.
- The seller receives visibility amongst the buyers and receives a robust sales and marketing platform
- A cost effective mode of showcasing products and services to specific target audience
- Valuable inputs and feedback is received directly from the users
- Develops a cohesiveness amongst industry bodies and members
- Provides the scale and capability to cover an industry segment or sub-segment effectively

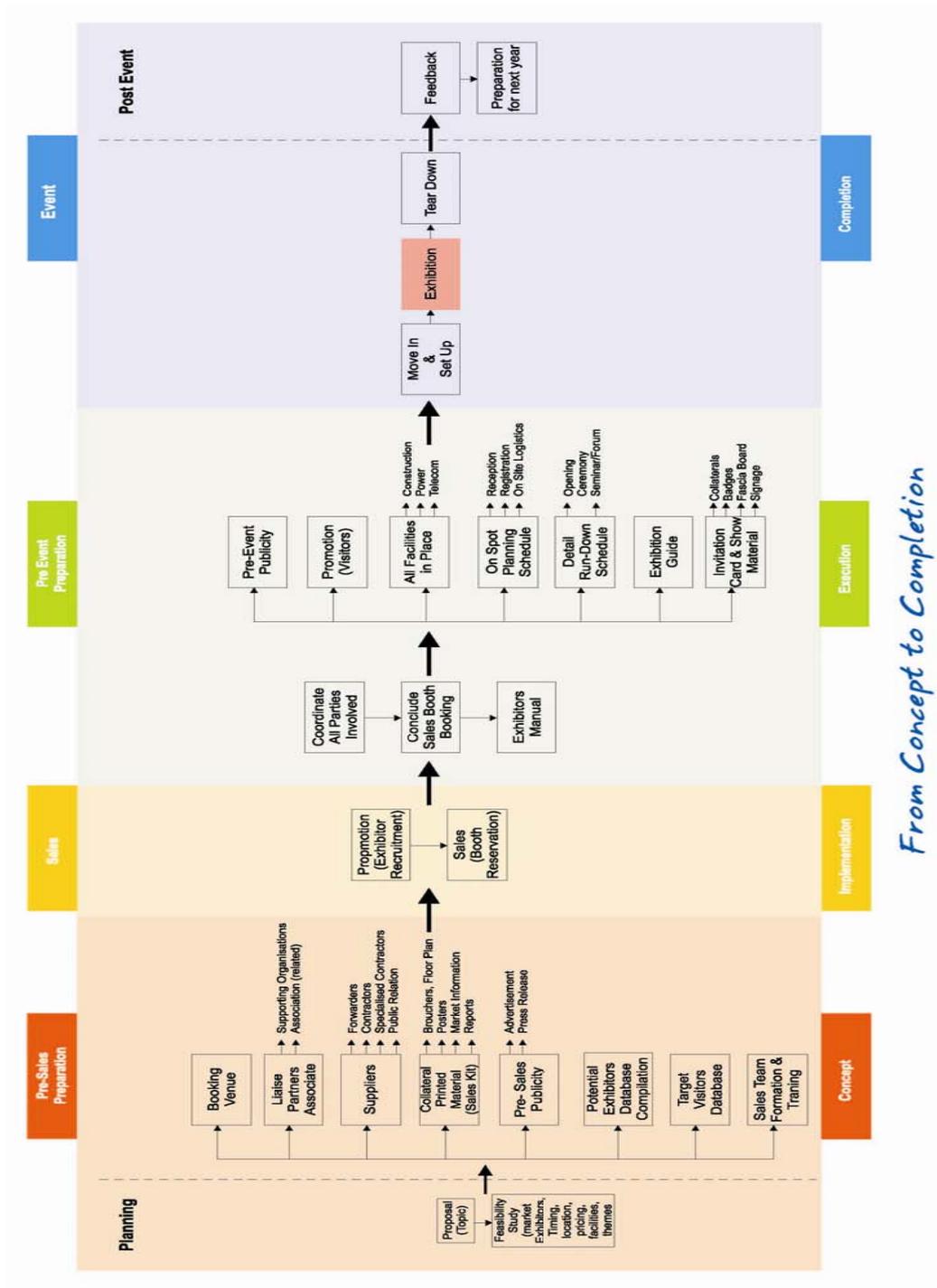
B2C Exhibitions

B2C exhibitions directly address the product / service to the end user thus enabling the exhibitor to assess end user preferences. B2C platform is an effective method to analyze consumer behaviour and response to new or existing products / services.

Benefits of B2C Exhibitions:

- Opportunity to directly interact with consumers.
- Buyers get ample choice to view, test and do a cost benefit analysis of their requirements under one roof.
- The seller receives visibility amongst the buyers and receives a robust sales and marketing platform.
- Pro-active buyers evaluate the latest industry developments
- Valuable inputs and feedback is received directly from the end users / customers
- Face to face communication to build customer relationships

Our Business Flow – From Concept to Completion



Planning

The planning stage starts with preparing a draft of an exhibition proposal based on a new theme, which we feel has substantial market potential. After review of the initial proposal, a feasibility study of the market condition is conducted. Various factors such as the market, exhibitors, timing, location, pricing, facilities, visitors and theme are analyzed to determine whether the proposed exhibition is financially and commercially feasible.

Pre sales preparation

Once an exhibition is analyzed for viability, the exhibition is finalized in terms of venue, timing, positioning and identifying target exhibitors and visitors. A suitable venue is booked well in advance and a draft layout is prepared. Sales is initiated with suitable sales pitch and value proposition. Venue choice is primarily driven by various forces, including accessibility of the venue, availability of venue, requirement of open space or closed space, ambience of the venue, as is desirable for the event.

A steering committee is formed comprising of eminent/experienced personalities of that field. This committee guides us with their valuable inputs ranging from venue, timing, location and technical parameters. A simultaneous process of enlisting the support of prominent, trade bodies, industry associations and supporting organizations, is initiated to garner their support, hold conferences, which further lends credibility to the event. Tie-up with these associations helps us to boost the exhibition's publicity and help to draw more and relevant visitors. Another process in this phase is the preparation of various printed materials such as brochures, floor plan, posters, market information and reports, which are mainly designed by the in-house design team of our Company. The supporting associations' names is printed on various promotional literatures as exhibition sponsors or supporting organizations which further adds to the credibility and publicity.

Information and database from the previous exhibitions, industry associations and trade bodies are referred to for sending out invitations to potential exhibitors.

We then undertake a series of marketing activities, including advertising in related magazines, newspapers, other media and presentations, to promote the exhibition to potential exhibitors in the industry.

Sales

Once the marketing strategy is in place and has been initiated, we contact and negotiate with potential exhibitors. Sales normally are initiated 8-10 months prior to the exhibition. Our team publicizes our exhibition through different promotion medium. If a prospective exhibitor is interested, they fix up meeting for our sales team, who negotiate and finalize the sale. When an exhibitor is committed to the exhibition, a contract is signed and a stall is allocated to them. The exhibitors are required to pay a portion of non-refundable deposit at the time of stall reservation and the balance is payable prior to opening of the event.

Pre Event preparation

About two months preceding the opening of the exhibition, final preparations commence. Coordination work requires preparation of the exhibitor's manual / show catalogue, which contains useful information such as a detailed run-down of the exhibition, points of contacts and specification of on-site facilities. Our Company then carries out various marketing activities to promote the exhibition to potential visitors. After the final schedule is ready, the in-house design team of our Company prepares exhibition guides for visitors of the exhibition. The last process in this stage is to prepare exhibition materials, for instance, fascia board of exhibitors' logos to be placed at the entrance of each stall and badges to be worn by the organizers, exhibitors and related staff members.

One week prior to the exhibition, an extensive marketing campaign is undertaken to attract visitors. Regular press releases, special supplements and advertisements are inserted in newspapers and trade magazines. We conduct promotions on various radio and television channels and through panels on public transportation

systems. Besides, our Company utilizes comprehensive databases to send invitations to local and overseas potential visitors through direct mailing.

Event

We acquire possession of the venue 2-3 days prior to the actual event date and prepare the venue for the event, which includes fixing the Semi Permanent Exhibition Structure with all fittings, marking based on the floor plans and strategically placing octanorm structures. Once this is completed, the exhibitors also take possession of their space and start designing and fabrication of the stalls.

The exhibition is kick started with an inaugural function and may include a conference organized with industry associations thereby improving interaction amongst the industry players, exhibitors and visitors.

Normally, all visitors are compulsorily required to register at the counters for collating the information and visitors profile.

Post Event

After the event we collate all the information, which provides valuable insights about the number of visitors, their profile and database for the next year and feedback on the exhibition;

For our Company, experience of the exhibitor and the visitor is of utmost importance. The quality of customer service is the key element for a successful exhibition. We continuously monitor and improve our service quality to ensure high exhibitor participation and relevant visitor turnout. We conduct surveys with the exhibitors and visitors after each exhibition for their feedback, which is then incorporated in the next year's event.

Photographs of some of our Events:



Our Exhibitions:

The following table, provides a segment wise break up of the various exhibitions and trade shows owned / organized by us and our subsidiary-

| Industry Verticals | Exhibition | Category | Exhibition Type B2B / B2C |
|---|---|---|------------------------------|
| Organized by our Company | | | |
| Architecture and Building Materials | ACETECH | Architecture, Construction and Engineering | B2B |
| | GlassCon | Glass Products | B2B |
| | Office Expo | Office Furniture | B2B |
| Lifestyle and Jewellery | Glamour | Gold and Diamond Jewellery Exhibition | B2C |
| | Glitter | Hi-end designer wear, exclusive diamond jewellery and lifestyle accessories | B2C |
| | Shagun | Bridal wear, Lifestyle and Jewellery | B2C |
| Education | Education Boutique | Education | B2C |
| | Education Forum | Education | B2C |
| | Education Expo | Education | B2C |
| Real Estate | Realty Expo | Hi-end Property | B2C |
| | Property Expo | Property | B2C |
| | Business Spaces Expo | Business/Commercial Property | B2C |
| | International Property Fair | Real Estate | B2C |
| Electronics | AV Revolution | Electronics | B2B/B2C |
| Industrial Automation Equipment & Machine Tools | India International Engineering Expo (IIEE) | Industrial Automation Equipment and Machine Tools | B2B |
| Textile Machinery | TGTech | Textile machinery | B2B |
| Safety and Security | Safety, Security and Disaster Management Expo (ISSDM) | Safety, Security and Disaster Management | B2B |
| | Smartcard Expo | Safety and Security | B2B |
| Information Technology | Asia IT Expo | Information Technology | B2B |
| Printing and Packaging | Printech | Printing and Packaging | B2B |
| | Asia Packtech | Packaging | B2B |
| Organized by our Subsidiary | | | |
| Oil & gas and petrochemicals | IORS | Oil & gas, petrochemicals, energy and power sector | B2B |

Our Exhibitions



ACETECH - ACETECH, is an exhibition on building material, architecture, construction, design and engineering, is a complete construction industry super mall, where convergence of architecture, construction and engineering in the construction industry is exhibited.

Trade visitors from all across the country and abroad participate to provide more business networking opportunities to participants at the exhibition. The exhibition also incorporates ACE Bath & Sanitation, ACE Stone & Ceramics, ACE Kitchen Technologies, ACE Lighting, ACE Paints & Coats, ACE Air Conditioning & Refrigeration, ACE Electricals, Wires & Cables, ACE Water Tech, ACE Hardware & Fittings, ACE Elevators & Escalators, ACE Steel & Concrete, ACE Doors & Windows, ACE Fire Safety & Security, ACE Wood, Veneers & Floorings, ACE Roofings, Claddings & Facades, ACE Plumbing, Pipes & Fittings, ACE Glass, Glazings & Facades and ACE International Furniture, which are all held simultaneously. The event saw participation from more than 600 exhibitors in year 2009. This exhibition is held in 3 cities Mumbai, Delhi and Bangalore.



Glasscon - GlassCon is an exhibition on glass products, materials, processing and technologies. It showcases all kinds of glass related to architecture, medical, furniture, construction building, automotive, electronic, food beverage, and demonstration of advanced machinery and production technologies of glass.



Office Expo - Office Expo showcases a vast range of office automation, audio visual equipment and systems, including interiors for conference, meeting and boardrooms as well as receptions. Essential office administration services and building maintenance services are also featured, including cleaning, interior landscaping, climate control, security and communication systems.



Glamour - The exhibition provides a unique opportunity to enterprising jewellery houses to explore new high growth markets and develop a new client base. Glamour exhibits an immense variety of gold and diamond jewellery to buyers/visitors. The exhibition witnessed participation from 45 exhibitors in 2009.



Glitter - Glitter exhibits hi-end designer wear, exclusive diamond jewellery and lifestyle accessories. The event provides opportunity to designers, jewellers, retail houses to showcase their creativity and passion in form of designer clothes, exquisite jewellery and lifestyle products. The event attracts approximately 70 exhibitors.



Shagun - The exhibition of trousseau collections, bridal jewellery, diamond and gold jewellery, designer wear, gifts and artifacts, lifestyle accessories. It is a wedding exhibition that brings forward the latest trends for the wedding season and a one-stop-shop for prospective brides and grooms.

EDUCATION[®] Boutique

Education Boutique - It is an education exhibition and is being organized in India since the last 6 years with participation of more than 300 exhibitors in year 2009. The exhibition brings an entire spectrum of courses on offer as well as the opportunity to meet academics and representatives of different institutions not only from across the country but also overseas institutions. Events are held in 18-27 cities during April to June season.



Education Expo - Education Expo is an international education and career fair. Exhibitors include international school and universities, business administration & management, institutes offering engineering, technology, human resource & knowledge management, medicines, IT, economics, international managements etc. Students aspiring for higher education, parents, teachers, lecturers are the visitors in this exhibition. The exhibition takes place in 4-10 cities during November-December. The exhibition witnessed participation from more than 95 exhibitors in year 2009.



Education Forum - An exhibition on education opportunities in India and abroad, which covers the various career choices available to students to help them evaluate the various options available. Foreign universities, management institutes, unconventional course providers, schools, education loan providers, migration consultants, publishers, and coaching institutes, students, parents participate in the exhibition. The exhibition is held in 3 cities during May-July. In 2009, around 40 exhibitors participated in the exhibition.

PROPERTY EXPO[™]

Property Expo - Property expo aims to provide a platform to real estate developers to showcase their properties to interested buyers, investors and traders. It caters to different levels of the society, giving the buyers an opportunity to compare different builders, and assess their amenities and timeframe of work. It focuses on premium properties including luxury residential as well as commercial offerings. The exhibition saw more than 150 exhibitors participating in year 2009.



Realty Expo - Realty expo is a hi-end property exhibition, an ideal platform for any one interested in the property market. Real estate developers exhibit their latest projects to the buyers. The event provides an overview of current trends and innovations in the real estate market. The participation of various financiers provides opportunities to buyers to find the cost effective available loans. The exhibition saw participation from over 150 exhibitors.



Business Spaces Exhibition - Business Spaces Exhibition is one of the hubs of real estate business spaces in Asia, which focuses on commercial properties. The exhibition showcases a wide array of premium real estate projects from all over India. Exhibitors and visitors include facility managers, real estate, retail chains, BPOs, financial institutions etc. The exhibition saw participation from approximately 35 exhibitors in year 2009.



**INTERNATIONAL
PROPERTY FAIR**

International Property Fair - International property fair is a high end property exhibition.



AV Revolution - The high end consumer and professional audio video, automation and entertainment electronics expo embraces all aspects of the home and professional audio video hardware industry.



India International Engineering Expo ("IIEE") is an exhibition of machine tools and industrial automation equipment. It provides electronics, machinery and tools to the prospective buyers on one platform along with latest technologies in automation, robotics, packaging, printing, pumps, motors, drives, cables, IT software and hardware and related industries to keep the traders as well as industry as a whole, abreast. India International Engineering Expo provides a platform for buying and selling, and an opportunity to display the technologies.



TGTECH is a textile and garment machinery exhibition. TGTECH, is an ideal conduit to launch the latest cutting edge equipment and technological know how. It serves as a comprehensive premium marketplace to the Indian manufacturers. Exhibitors and visitors include machinery manufacturers, textile manufacturers and garment manufacturers.



International Safety, Security and Disaster Management Expo (“ISSDM”) The Exhibition is on fire safety, security and disaster management. The main objective of the exhibition is to promote both domestic and international trade, attract new investments, technology transfers and joint ventures besides attempting to create awareness on emerging security, fire and safety needs. As a trade show it offers a huge platform for buyers and sellers across the world to tap opportunities of increased investments in all developing as well as developed countries towards fire safety, security, disaster management, reduction and mitigation.



Smartcard Expo- The exhibition is about smart card products, services and technologies. It includes ID and access control, driving license and vehicle registration, retail, loyalty, banking and finance, close user group applications, healthcare, transit and fare collection, toll collections and many others. Along with the main event, technical workshops and seminars are also organized to highlight the advancements in smart card technologies.



Asia IT Expo- Asia IT Expo is focused exhibition on hardware, software, consulting and cyber security. Asia IT Expo initiates marketing of products, import, export, trade, investment and joint ventures in the IT field. The exhibition saw more than 85 exhibitors in the exhibition in year 2009.

Printech- Our Company, organises and markets this event for Mumbai Mudrak Sangh (MMS) on solutions relating to the printing, packaging and allied industry. This event is the converging point where all the major printing and packaging industry players showcase their wares and products. This event occurs once in two years. In 2009, approximately 120 exhibitors participated in the event.



ASIA PACKTECH
INTERNATIONAL EXHIBITION ON COMPLETE PACKAGING SOLUTIONS

ASIA PACKTECH- The ASIA PACKTECH takes the opportunity to introduce new packaging technology from the world over, eco-friendly and innovative packaging solutions.



IORS – Our Subsidiary OAPPL organises IORS (India Oil & gas Review Symposium Exhibition and conference on oil & gas, petrochemicals, energy and power sector). Started in 1994 it forms a large interface for national and international companies operating in oil & petroleum sector to interact, and display technical competence and global competitiveness of products and services.

Our Publications:

In order to amplify the effectiveness of our Exhibitions for both exhibitors and visitors and to build up relationship with those engaged in the exhibition business, we publish trade magazines mainly for distribution to visitors attending exhibitions organized by us and our business associates as a value-added service to exhibitors, and to paid subscribers who desire up-to-date industrial information. Our trade magazine covers a wide spectrum of industrial issues in relation to their respective main themes on a global basis that are intended to keep suppliers, end-users and industrial professionals abreast of the latest technologies and market trend. Our Company publishes on a regular basis ABEC Trade Guide and our 100% Subsidiary publishes Oil Asia magazine.

Oil Asia



Oil Asia magazine is a publication of our 100% subsidiary, Oil Asia Publication Private Limited. It is a bi-monthly magazine which covers the latest developments in the field of petroleum, process engineering, refining, oil & gas automation, petrochemicals, energy, communications, shipping, specialty chemicals i.e. additives, lubricants, e-business, infrastructural finance and investment opportunities in these vital areas.

ABEC Trade Guide



Our Company publishes a monthly magazine, which carries fair exhibition related data on products, trends, fads and other trivia. The publication features articles including information on subjects as diverse as jewellery or construction or safety and security products. It also contains a variety of informative advertisements on various products and services.

Utilities and Infrastructure facilities

Our registered office is situated at Mumbai. Our Company has branch offices situated at Delhi and Bangalore. Our offices are equipped with computer systems, relevant software and other communication equipments, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Human Resources

Our Company's human resource policy revolves around commitment to create organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning curve that recognizes meritorious performance.

As on December 31, 2009, our Company has a total of 125 employees.

The following tables show detailed break-up of our employees:

| Department | Number of Employee |
|-----------------------|---------------------------|
| Finance | 9 |
| Sales and Marketing | 75 |
| HR and Administration | 8 |
| Database Management | 4 |
| Operations | 14 |
| IT and graphics | 3 |
| Others | 12 |
| Total | 125 |

Licensed and Installed Capacity and Capacity Utilization

Since we operate in the service industry existing installed capacities and capacity utilization is not applicable.

Export Obligations, if any

As on the date on the Draft Red Herring Prospectus our Company does not have any export obligations.

Marketing Strategy

For details of our marketing strategy refer the paragraph titled “*Our Business Flow – From Concept to Completion*” hereinabove beginning on page 78 of the Draft Red Herring Prospectus

Tie-up with Bennett, Coleman and Company Limited (“BCCL”)

Our Company *vide* a Master Event Agreement dated January 06, 2010 has entered into a media promotion arrangement with BCCL (Times Group) for a period till September 14, 2011 in respect of organizing and promoting events including exhibitions, conferences and trade fairs at various places for marketing various products and services (“Events”/ “Events”). Our Company has organized and promoted various Events with BCCL in various cities all over India including ACETECH, Education Boutique, Education Expo, Education Forum, Property Expo, Realty Expo, Business Spaces, Glitter, Glamour, Asia IT Expo, AV Revolution.

For further detail refer paragraph titled “*Other Agreements*” beginning on page 102, under the chapter titled “*History and Other Corporate Matters*” of the Draft Red Herring Prospectus.

Competition

The exhibition market is both, highly competitive, fragmented and rapidly evolving. We primarily face competition from domestic players such as Exhibition India Private Limited, Tafcon, ZAK Trade Fairs and Exhibitions Private Limited, PDA Trade Fairs (PDATF), Intel Trade Fairs & Expositions Private Limited as well as from the foreign competitors such as United Business Media (UBM), Reed Exhibitions, Messe Dusseldorf, Messe Frankfurt who are making inroads into the Indian market. In addition to that, we also face competition from trade associations such as CII, FICCI etc. We anticipate this competition to continue to grow as the demand for these exhibitions increases as India is expected to be one of the better performing economies in the world this year.

(Source: *ExhiConEvents*, ‘India’s only Magazine on Exhibitions & Events’, VOL – 6, Issue 1, January - 2010) and “*Trade Fair Industry in Asia, 5th Edition 2009*” An UFI Report, by Business Strategy Group)

PROPERTIES

Owned Properties of our Company

| Sr. No. | Date of Sale Deed / Agreement for Sale | Name of the Purchaser / Transferee / Occupier | Name of the Seller / Transferor | Consideration (Rs.) | Area | Particulars of the Property, Description | Usage |
|---------|--|--|--|---------------------|--|--|----------|
| 1. | Office Buyers Agreement and Allotment letter both dated October 23, 2007 | Asian Business Exhibitions & Conferences Limited | Essel Housing Project Private Limited (owner) and Dhoot Developers Private Limited (developer) | 48,45,708 | Premises admeasuring 1876 square feet. | Office space no. 011 on the 5 th Floor at Times Tower M.G. Road, Gurgaon. | Official |
| 2. | Letter dated January 08, 2010 confirming the allotment. | Asian Business Exhibitions & Conferences Limited | Suncity Projects Private Limited | 1,30,35,000 | Premises admeasuring 2700 square feet and 1350 square feet | Office space at Suncity Success Tower, Gurgaon. | Official |
| 3. | Allotment Letter dated November 18, 2009 | Asian Business Exhibitions & Conferences Limited | Vijay Associates (Wadwa) Constructions Private Limited. | 1,28,59,200 | 1025 square feet | Flat no. 03, 14 th Floor, Tower-D, Imperial Heights, Oshiwara, Mumbai. | Official |

Leased properties/properties on leave and license

Mumbai

| Sr. No. | Details of Deed / Assignment | Nature of right granted | Particulars of the Property, Description & Area | Consideration/ license fee/Rent (Rs.) | Tenure/Term | Existing Usage |
|---------|--|-------------------------|---|---|---|-------------------|
| 1. | License Agreement dated April 01, 2008 between Surendra Mohan Singh Gandhi ("Licensor") and Asian Business Exhibition & Conferences Limited ("Licensee") | License | Gala No 530. Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400 053 | 45,000 per month and security deposit of Rs. 15,00,000. | Valid up to March 31, 2011 (36 months commencing from April 01, 2008) | Registered Office |

| Sr. No. | Details of Deed / Assignment | Nature of right granted | Particulars of the Property, Description & Area | Consideration/ license fee/Rent (Rs.) | Tenure/Term | Existing Usage |
|---------|--|-------------------------|---|--|---|----------------|
| 2. | Leave and License Agreement dated April 01, 2008 and letter dated July 01, 2009, between Manish Gandhi and Mandeep Gandhi ("Licensors") and Asian Business Exhibition & Conferences Limited ("Licensee") | License | Gala No 427 Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400 053 | 85,000 per month and security deposit of Rs. 5,00,000 | Valid up to March 31, 2011 (36 months commencing from April 01, 2008) | Office |
| 3. | Leave and License Agreement dated April 01, 2008 between Sumit Gandhi ("Licensor") and Asian Business Exhibition & Conferences Limited ("Licensee") | License | Gala No 529, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053 | 40,000 per month | Valid up to March 31, 2011 (36 months commencing from April 01, 2008) | Office |
| 4. | Leave and License Agreement dated April 01, 2008 between Manish Mohan Singh Gandhi ("Licensor") and Asian Business Exhibition & Conferences Limited ("Licensee") | License | Gala No 531. Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400 053 | 5,000 per month and security deposit of Rs. 15,00,000. | Valid up to March 31, 2011 (36 months commencing from April 01, 2008) | Office |
| 5. | Leave and License Agreement dated April 01, 2008 between Sumit Mohan Singh Gandhi ("Licensor") and Asian Business Exhibition & Conferences Limited | License | Gala No 532, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053 | 5,000 per month and security deposit of Rs. 15,00,000 | Valid up to March 31, 2011 (36 months commencing from April 01, 2008) | Office |

| Sr. No. | Details of Deed / Assignment | Nature of right granted | Particulars of the Property, Description & Area | Consideration/ license fee/Rent (Rs.) | Tenure/Term | Existing Usage |
|--------------|--|-------------------------|--|---------------------------------------|--|----------------|
| ("Licensee") | | | | | | |
| 6. | Leave License Agreement dated October 8, 2009 between Sumit Mohan Gandhi ("Licensor") and Asian Business Exhibition & Conferences Limited ("Licensee") | License | Gala No 605, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053 | 40,000 per month | Valid up to September 30, 2012 (36 months commencing from October 1, 2009) | Office |

Delhi

| Sr. No. | Details of Deed / Assignment | Nature of right granted | Particulars of the Property, Description & Area | Consideration/ license fee/Rent (Rs.) | Tenure/Term | Existing Usage |
|---------|--|-------------------------|---|---------------------------------------|---|------------------|
| 1. | Lease Agreement dated October 9, 2009 between Ravindra Singh Bhati ("Lessor and ") Asian Business Exhibition & Conferences Limited | Lease | C-3/11, Third Floor, Safdarjung Development Area, Hauz Khas, New Delhi admeasuring 1000 sq ft | 10,000 per month | August 31, 2010 (11 months commencing from October 1, 2009) | Official purpose |

Bangalore

| Sr. No. | Details of Deed / Assignment | Nature of right granted | Particulars of the Property, Description & Area | Consideration/ license fee/Rent (Rs.) | Tenure/Term | Existing Usage |
|---------|--|-------------------------|--|--|---|----------------|
| 1. | Lease agreement dated August 1, 2009 between Ms. Gunjan Kapoor ("Lessor") and Asian Business Exhibition & Conferences Limited ("Lessee") | Lease | Office Unit bearing No. 1003 situated on 10 th floor 'B' wing, Mittal Towers comprising of super built up area of 345 sq ft with fixtures and furniture | Rent of Rs 13,500 per month and security deposit of Rs. 1,35,000 | 11 months commencing August 1, 2009 and valid up to June 30, 2010 | Office |

Intellectual Property

Trademarks

Following table sets forth the details of the trademarks registered with the Trade Marks Registry Mumbai, under class 35 as defined under the IV Schedule of the Trademark Rules, 2002. The following trademarks are either in the name of the Company or in the name of Asian Business Exhibitions and Conferences, proprietary concern of Sumit Gandhi.

Further, the trademarks in the name of Asian Business Exhibitions and Conferences a proprietary concern of Sumit Gandhi were assigned to our Company vide a Deed of Assignment of Trademarks dated December 18, 2009. For further details refer paragraph titled “Other Agreements” beginning on page 102 of the Draft Red Herring Prospectus.

| Sr. No. | Trademark Registration No. | Trademark/ Tradename | Description of goods/services | Validity Period | |
|---|----------------------------|------------------------------------|--------------------------------------|-------------------|-------------------|
| | | | | From | To |
| Registrations in the name of Asian Business Exhibitions and Conferences Limited | | | | | |
| 1. | 1638465 | From concept to completion** | Business exhibitions and conferences | January 07, 2008 | January 06, 2018 |
| 2. | 1638466 | ABEC** | Business exhibitions and conferences | January 07, 2008 | January 06, 2018 |
| 3. | 1660923 | Business Spaces (Label)** | Business exhibitions and conferences | March 04, 2008 | March 03, 2018 |
| 4. | 1638469 | Convergex (Label)** | Business exhibitions and conferences | January 07, 2008 | January 06, 2018 |
| 5. | 1638467 | Photography Imaging Expo (Label)** | Business exhibitions and conferences | January 07, 2008 | January 06, 2018 |
| 6. | 1708984 | TGTECH** | Business exhibitions and conferences | July 10, 2008 | July 09, 2018 |
| 7. | 1708990 | IIEE** | Business exhibitions and conferences | July 10, 2008 | July 09, 2018 |
| 8. | 1697586 | OIL ASIA (Label)** | Business exhibitions and conferences | June 11, 2008 | June 10, 2018 |
| Registrations in the name of Asian Business Exhibitions and Conferences, Proprietor Sumit Mohan Singh Gandhi (as assigned to our Company)* | | | | | |
| 9. | 1433818 | Education Boutique | Business exhibitions and conferences | March 22, 2006 | March 21, 2016 |
| 10. | 1433816 | AV-Revolution | Business exhibitions and conferences | March 22, 2006 | March 21, 2016 |
| 11. | 1433817 | Shagun | Business exhibitions and conferences | March 22, 2006 | March 21, 2016 |
| 12. | 1516103 | Education Expo (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 13. | 1516105 | Smartcardex (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 14. | 1516095 | ISSDM Expo (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 15. | 1516096 | ABC (logo) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 16. | 1516097 | IORS | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 17. | 1516098 | Glasscon (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 18. | 1516099 | Media-Eleven (logo) | Business exhibitions | December | December |

| Sr. No. | Trademark Registration No. | Trademark/ Tradename | Description of goods/services | Validity Period | |
|---------|----------------------------|----------------------|--------------------------------------|-------------------|-------------------|
| | | | | From | To |
| | | | and conferences | 26, 2006 | 25, 2016 |
| 19. | 1433819 | Glitter** | Business exhibitions and conferences | March 22, 2006 | March 21, 2016 |
| 20. | 1516094 | IIEE (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 21. | 1516100 | Ace Tech (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 22. | 1516101 | Realty Expo (label) | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |
| 23. | 1516102 | TGTECH | Business exhibitions and conferences | December 26, 2006 | December 25, 2016 |

**The trademarks in the name of Asian Business Exhibitions and Conferences a proprietary concern of Sumit Gandhi were assigned to our Company vide a Deed of Assignment of Trademarks dated December 18, 2009. The said Deed of Assignment has been submitted with the Trade Marks Registry, Mumbai for updating their records.*

*** As per the website www.ipindiaonline.gov.in as on January 23, 2010 the said trademarks are registered under the Trade Marks Registry, Mumbai, we are yet to receive the certificate of registration from the Trade Mark Registry, Mumbai.*

Trademarks applied for but not received

Following table sets forth the details of the trademarks applied for with the Trade Marks Registry Mumbai, under class 35 as defined under the IV Schedule of the Trademark Rules, 2002. The following trademarks are applied either in the name of the Company or in the name of Asian Business Exhibitions and Conferences, proprietary concern of Sumit Gandhi.

| Sr. No. | Date of Application | Trademark application number | Trademarks / Trademark |
|--|---------------------|------------------------------|--|
| Applications made in the name of Asian Business Exhibitions and Conferences Limited | | | |
| 1. | March 04, 2008 | 1660921 | International Property Fair (label) |
| 2. | March 04, 2008 | 1660922 | Education Forum (label) |
| 3. | June 11, 2008 | 1697583 | Asia IT Expo, IT Hardware and Software Exhibition (label) |
| 4. | June 11, 2008 | 1697584 | ES, Enterprise Solutions, (label) |
| 5. | June 11, 2008 | 1697585 | Property Expo (label) |
| 6. | July 10, 2008 | 1708968 | International Fire Safety Expo 2008, (label) |
| 7. | July 10, 2008 | 1708969 | Officex ,Ultimate office exhibition, (label) |
| 8. | July 10, 2008 | 1708970 | AV Revolution, High end audio-video consumer electronics expo, (label) |
| 9. | July 10, 2008 | 1708971 | ISSE 2008, (label) |
| 10. | July 10, 2008 | 1708972 | Glasscon |
| 11. | July 10, 2008 | 1708973 | Realty Expo |
| 12. | July 10, 2008 | 1708974 | Ace Tech |
| 13. | July 10, 2008 | 1708975 | From Concept to Completion |
| 14. | July 10, 2008 | 1708976 | IORS |
| 15. | July 10, 2008 | 1708977 | Media – Eleven |
| 16. | July 10, 2008 | 1708978 | Education Forum |
| 17. | July 10, 2008 | 1708979 | International Property Fair |
| 18. | July 10, 2008 | 1708981 | Photography Imaging Expo |
| 19. | July 10, 2008 | 1708982 | ABEC |

| Sr. No. | Date of Application | Trademark application number | Trademarks / Trademark |
|---------|---------------------|------------------------------|--|
| 20. | July 10, 2008 | 1708983 | Smartcardex |
| 21. | July 10, 2008 | 1708985 | Education Expo |
| 22. | July 10, 2008 | 1708986 | Enterprise Solutions |
| 23. | July 10, 2008 | 1708987 | Property Expo |
| 24. | July 10, 2008 | 1708988 | Oil Asia |
| 25. | July 10, 2008 | 1708989 | Business Spaces |
| 26. | July 10, 2008 | 1708991 | Convergex |
| 27. | January 07, 2010 | 1906185 | ABEC Asian Business Exhibition & Conferences Limited, From Concept To Completion, (logo) |
| 28. | December 03, 2009 | 1891062 | ABEC Asian Business Exhibitions & Conferences Limited, From Concept To Completion (logo) |

Applications made in the name of Asian Business Exhibitions and Conferences, Proprietor Sumit Mohan Singh Gandhi (as assigned to our Company)*

| | | | |
|----|-------------------|---------|---------------|
| 1. | March 22, 2006 | 1433820 | GLAMOUR |
| 2. | April 02, 2007 | 1545547 | Asia IT Expo |
| 3. | April 02, 2007 | 1545548 | Officex |
| 4. | December 26, 2006 | 1516104 | Property Expo |

**The trademarks in the name of Asian Business Exhibitions and Conferences a proprietary concern of Sumit Gandhi were assigned to our Company vide a Deed of Assignment of Trademarks dated December 18, 2009. The said Deed of Assignment has been submitted to Trade Marks Registry, Mumbai.*

Copyrights

Following table sets forth, the details of the copyrights registered with the Registrar of Copyrights, Mumbai under the Indian Copyrights Act, 1957. The following copyrights are applied either in the name of the Company or in the name of Asian Business Exhibitions and Conferences, a proprietary concern of Sumit Gandhi.

Further, the said copyrights in the name of Asian Business Exhibitions and Conferences a proprietary concern of Sumit Gandhi were assigned to our Company vide a Deed of Assignment of Copyrights dated December 29, 2009.

| Sr. No. | Registration No. | Class and description of the work | Title of the work | Language of the work |
|---|------------------|-----------------------------------|--|----------------------|
| Registrations in the name of Asian Business Exhibition & Conferences Limited | | | | |
| 1. | A-84691/2009 | Artistic | Convergex | English |
| 2. | A-84692/2009 | Artistic | 'ABEC' in multi colours boxes | English |
| 3. | A-84693/2009 | Artistic | From Concept to Completion | English |
| 4. | A-84694/2009 | Artistic | 'Photography And Imaging Expo' with device of photo's reel | English |
| 5. | A-86198/2009 | Artistic | GLITTER | English |
| 6. | A-86197/2009 | Artistic | SHAGUN | English |
| Registrations in the name of Asian Business Exhibitions and Conferences, Proprietor Sumit Mohan Singh Gandhi (as assigned to our Company)* | | | | |
| 7. | A-81683/2007 | Artistic | 'IORS' Indian Oil & Gas Review Symposium | English |
| 8. | A-81680/2007 | Artistic | Property Expo | English |
| 9. | A-81684/2007 | Artistic | AVREVOLUTION | English |
| 10. | A-81682/2007 | Artistic | Smartcardex | English |

**The said copyrights are in the name of Asian Business Exhibitions and Conferences a proprietary concern of Mr. Sumit Gandhi. Asian Business Exhibitions and Conferences, has vide a Deed of Assignment of Copyrights dated December 29, 2009 have assigned to our Company.*

Following table sets forth, the details of the copyrights applied for, to the Registrar of Copyrights, Delhi, under the Indian Copyrights Act, 1957. The following Copyrights are applied in the name of our Company.

| Sr.No. | CC No. | Class & Description of Work | Title of Work |
|--------|------------|-----------------------------|----------------------|
| 1. | 20120/1467 | Artistic | BUSINESS SPACES |
| 2. | 20122/1491 | Artistic | ASIA IT EXPO 2007 |
| 3. | 20119/1468 | Artistic | OIL ASIA |
| 4. | 20121/3886 | Artistic | ENTERPRISE SOLUTIONS |

Insurance

Overall we generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business. We insure our major Events for ascertained net loss, cancellation, abandonment, postponement, interruptions or relocation against fire, political unrest, riot and strike, adverse weather, national mourning, denial of access to the venue of workers/ personnel engaged in putting up the stalls caused directly due to political unrest/ curfew/ riots and terrorism. The insurance policies for our Events also covers the general liability insurance against legal liability to pay damages for third party civil claims arising out of accidents, injury or damage during the period of insurance policy.

Further, our Company has insured all the furniture, fixtures, office equipments and other accessories against fire accidents, earthquakes, adverse weather, terrorism damage and such other loss and damage to property.

Although we consider our insurance coverage to be of a type and level that is economically prudent, we cannot assure you that we will be able to maintain insurance at a rate which we consider commercially reasonable or that such coverage will be adequate to cover any claims that may arise.

KEY INDUSTRY REGULATIONS AND POLICIES

Our Company organizes various exhibitions/events throughout India. While organizing the exhibitions/events we need to comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities and are also subject to be subject to resolutions and circulars issued by the Government time to time. The approvals, permits and licenses to be obtained vary on a case by case basis depending upon the state, city and area in which the exhibition/event is being organized and also on the type of venue its being organized in. These permissions also include, among others, no objection certificates pertaining to proper electric arrangement, fire exit in proposed premises along with approval from Traffic Department, Chief Fire Officer and Electrical Inspector etc. Following details sets out the requirements by Indian laws and regulations to be followed by us:

Entertainment Tax law

The responsibility of collecting entertainment tax is vested with the organizers or the venue holders. In certain states, subject to compliance with certain prescribed conditions, exemptions from payment of entertainment taxes may be granted. The extent of entertainment tax relief, which may be available, varies from state to state.

The Bombay Entertainments Duty Act, 1923

The Bombay Entertainments Duty Act, 1923 provides for the levy of duty in respect of admission to entertainment in the state of Maharashtra. The rate of entertainment tax levied varies, not only on the basis of the area within which the entertainment establishment conducts its business within the state of Maharashtra, but also on the type of entertainment that is provided.

Any non-compliance with the provisions of the Bombay Entertainments Act may lead to penalties in the form of imprisonment and/or monetary fines. The State Government has the power to make rules for securing the payment of the entertainments duty and for carrying out the provisions of the said Act.

Under Section 4(2) state has power to grant permission to organize exhibitions and seminars, to levy entertainment duty upon same and detection of unauthorized entertainment items and programs.

The Delhi Entertainment and Betting Tax Act, 1989

The Delhi Entertainment and Betting Tax Act, 1989, provides for the payment of entertainment duty on admission charges to any entertainment, which is defined to include exhibitions/seminar/conferences. The said duty is payable at such rate as may be notified by the government from time to time, however, not exceeding one hundred percent of each such admission charge.

The Government also grants exemption from the payment of entertainment tax for the conduct of entertainment programmes where the objective is to promote philanthropic, charitable activities.

Uttar Pradesh Entertainments and Betting Act, 1979

Entertainment tax in the state of Uttar Pradesh is levied and collected under the Uttar Pradesh Entertainments and Betting Act, 1979 and Rules framed there under. It is levied on all payments for admission to any entertainment at the rate specified from time to time. The said Act further empowers the state government to exempt any entertainment or class of entertainment from the liability to pay tax for promotion of peace, international goodwill, arts, sports or other public interests. Similarly, the District Magistrate is also empowered to grant exemption to those entertainments whose gross proceeds are devoted to philanthropic, religious or charitable purposes.

The Karnataka Entertainments Tax Act, 1958

The Karnataka Entertainments Tax Act, 1958, provides for the levy of entertainment duty on all forms of entertainment as defined therein, which includes exhibitions also. It is levied on all payments for admission to any entertainment at the rate specified from time to time.

The Andhra Pradesh Entertainments Tax Act, 1939

The Andhra Pradesh Entertainments Tax Act, 1939 levies entertainment duty in respect of entertainments, defined to mean exhibition/seminar to which persons are admitted on payment, at varying rates specified therein. Further, Section 8 of the aforesaid act also makes provision for the state government to grant exemptions from payment of entertainment tax.

The Punjab Entertainments Duty Act, 1955

The Punjab Entertainments Duty Act, 1955, is applicable in the states of Punjab and Haryana and provides for the levy of entertainment duty on payment of admission to any entertainment, defined therein, at a rate, not exceeding one hundred and twenty five percent of the payment of admission, as may be specified by the state government by a notification. It provides that tax may be levied on the admission charges for entry to any exhibition, performance, amusement, game, sport, or race to which persons are ordinarily admitted on payment. Penalties may be imposed for non-payment of duty. The said Act further provides that the state government may in the alternative, by a notification, levy a lumpsum duty at a rate specified in the said act. Further, under the said Act the state government may, for encouragement of arts and crafts, or other public interest, exempt any entertainment from the liability to pay duty under the Punjab Entertainment Act. The whole of the net proceeds of the exempted amount will be devoted to philanthropic, charitable, educational or scientific purposes, which have been approved as such by the government.

The Bombay Police Act, 1951

The Bombay Police Act contains provisions empowering the police to regulate the exhibition/conferences in the state of Maharashtra (formerly Bombay). The Commissioner and the District Magistrate in areas under their respective charges may consider or prohibit the exhibition of persons or corpses of figures and activities pertaining to preparation, exhibition or dissemination of pictures as necessary for the preservation of public peace.

The Press and Registration of Books Act, 1867

The Press and Registration of Books Act, 1867 was introduced for the preservation of copies of every book and newspapers printed in India and for the registration of such books and newspapers. This Act regulates printing presses and newspapers and makes registration with an appointed Authority compulsory for all printing presses. The act requires that every book or paper printed within India shall have printed legibly on it the name of the printer and the place of printing, the name of the publisher and the place of publication. As per the provisions of the Act whoever shall edit, print or publish, without conforming to the provisions of the Act shall, on conviction before a magistrate, be punished with fine or imprisonment for a term not exceeding six months or both.

Rules for Licensing and Controlling Places of Public Amusement (other than Cinemas) and Performances for Public Amusement including Melas and Tamashas

The Rules were put in place to manage and regulate the activities pertaining to exhibitions and activities being organized for public amusement. The Rules have defined a place of public amusement as any place where music, singing, dancing, or any diversion or game, or the means of carrying on the same, is provided and to which the public are admitted either on payment of money or with the intention that money may be collected from those admitted and includes *inter alia* any place where music, singing, dancing, or any diversion or game, or the means of carrying on the same, is provided and to which the public are admitted either on payment of money or with the intention that money may be collected from those admitted. The Rules have put in place a licensing authority which on receipt of documents and certificates may grant a

Premises License to the applicant on such terms and conditions and subject to such restrictions as the Licensing Authority may determine. Furthermore the licensing authority may refuse permission to conduct any exhibition or activity to any individual or body corporate if they are of the opinion that the same would cause obstruction, inconvenience, annoyance, risk, danger or damage to the residents or passers by or create traffic problems in the locality or may harm national interest or cause law and order problem.

HISTORY AND OTHER CORPORATE MATTERS

Our History and Background

Our business originated, when our Promoter Surendra Gandhi started a trade magazine in the name and style of Oil Asia in 1983 under his proprietary concern 'Oil Asia Journal'. The magazine primarily focused on the sectors related to oil & gas and petrochemicals. Foreseeing the growth of the oil & gas and petrochemicals sectors he started, Oil Asia Journal (Symposium Division) proprietary concern of Surendra Mohan Singh Gandhi HUF. In 1994, Oil Asia Journal (Symposium Division) conducted its 1st edition of India Oil and Gas Review Symposium (IORS) with the support of a leading oil exploration company. Thereafter, Oil Asia Journal (Symposium Division) involved itself in managing other exhibitions of the oil and petrochemicals industry.

In 2001, Sumit Gandhi, son of Surendra Gandhi joined him in organizing IORS. Envisaging the potential of the business of organizing Exhibitions and conferences, Sumit Gandhi started his proprietary concern, Asian Business Exhibitions and Conferences in the year 2003. Later Manish Gandhi, son of Surendra Gandhi, also joined the business and conducted their first B2C Exhibition named "Glamour" a focussed exhibition on Gold, Diamond and Bridal Jewellery. They then entered into a media promotion arrangement with Bennett, Coleman & Company Limited (BCCL).

Further, in the year 2005, Manish Gandhi set up his proprietary concern Indian Exhibitions & Conferences to carry out events like IIEE, OfficeX, IT Expo, Smartcard Expo, Safety and Security, Shagun.

Since then, the proprietary concerns, entered into new verticals and started organizing Exhibitions like AV Revolution, Realty Expo, Glitter and Job Scene etc.

Thereafter Satinder Pal Kaur, wife of Surendra Gandhi, setup Media Eleven and expanded the education vertical to various cities across India.

In the year 2006, ACETECH, an Exhibition for architecture, construction, design and engineering, was launched and since then has been one of the most successful Exhibitions of our group.

In 2007, with a vision to pool all the proprietary businesses and expand them, become a professionally driven company and reap the benefits of a corporate entity our Promoters and Satinder Pal Kaur incorporated our Company by the name of Asian Business Exhibition & Conferences Limited.

Our Company was incorporated as a public limited company, under the Companies Act, 1956 with the Registrar of Companies, Mumbai *vide* Certificate of Incorporation dated April 10, 2007, in the name and style of ASIAN BUSINESS eXHIBITION & CONFERENCES LIMITED. On May 1, 2007, we received the Certificate of Commencement of Business. The registered office of our Company is situated at 530, Laxmi Plaza, Laxmi Industrial Estate, Andheri - West, Mumbai – 400 053, Maharashtra, India.

After incorporation, Asian Business Exhibitions and Conferences ("ABEC") the proprietary concern of Sumit Gandhi, Indian Exhibitions & Conferences ("IEC") the proprietary concern of Manish Gandhi and Media Eleven ("ME") the proprietary concern of Satinder Pal Kaur consolidated and pooled their businesses as going concerns and transferred the assets and liabilities of their respective proprietary concerns to our Company. They entered into a Business Transfer Agreement dated May 01, 2007 for the said transfer. For further details of the agreement refer the paragraph titled "Other Agreements" mentioned herein below.

Subsidiarisation of Oil Asia Publication Private Limited ("OAPPL")

In the year 2009, we acquired 100% of the equity share capital of our group company OAPPL. It is engaged in the business of publication of industry specific magazine, organizing exhibitions and conferences primarily relating to the oil industry. The total consideration for the acquisition paid to the shareholders of OAPPL was Rs. 27.20 lacs. The shares of OAPPL were purchased from Surendra Gandhi, Satinder Pal Kaur, Sumit Gandhi and Manish Gandhi. By virtue of the acquisition, OAPPL became our

100% subsidiary with effect from April 1, 2009. For further details on OAPPL refer to the paragraph titled “Our Subsidiary” herein below.

Prior to the subsidarisation, Oil Asia Journal the proprietary concern of Surendra Gandhi and Oil Asia Journal (Symposium Division) the proprietary concern of Surendra Mohan Singh Gandhi HUF consolidated and pooled their businesses as going concerns and transferred the assets and liabilities of their respective proprietary concerns to Oil Asia Publication Private Limited.

Main Objects of our Company

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

To carry on the business to conduct, organize, manage, present, arrange, sponsor, plan, design, exhibit, demonstrate, establish, encourage, provide, maintain, promote, operate, participate, collaborate, construct, equip and run at national and international levels all sorts of shows, exhibitions, events or programmes for trade, sales promotion, business conference, seminar, corporate requirements, auctions, product launch, modeling, entertainment, recreations amusements, sports, social gathering, cultural activities, family get-together, political programmes or such other events of every description either in open air spaces, auditoriums, theaters, hotels, halls or any other venues and to act as consultants, franchisers, franchisees, contractors, facilitators, decorators, designers, advertisers, news releasers, journalists and to tie-up with Indian and overseas companies having similar business and to provide all sorts of facilities, conveniences, arrangements, articles, materials, products or things required for the attainment of the business.

Amendments to the Memorandum of Association

| Date | Particulars |
|--------------------|---|
| September 25, 2009 | The authorised share capital of the Company was increased from Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10 each to Rs. 25,00,00,000 consisting of 2,50,00,000 Equity Shares of Rs. 10 each pursuant to shareholders’ approval at the Annual General Meeting held on September 25, 2009. |

Changes in registered office address

There have been no changes in the registered office of our Company since inception.

Key Milestones

The table below sets forth some of the key events and milestones in the history of our Company and Promoters and group entities:

| Year | Details |
|------|---|
| 1983 | Launched Oil Asia – A focused magazine on oil & gas and petrochemicals sector |
| 1994 | 1 st edition of India Oil and Gas Review Symposium (IORS) is conducted |
| 2003 | Asian Business Exhibitions and Conferences – proprietary concern of Sumit Gandhi organizes its first B2C Exhibition named Glamour a focused exhibition on Gold, Diamond and Bridal Jewellery. ABEC organizes its first B2C Exhibition named Education Boutique a focused exhibition and conference on education opportunities for students |
| 2004 | ABEC organizes its first B2B and B2C Exhibition focused on real estate named Property Expo and Realty Expo. |
| 2005 | Media Eleven and Indian Exhibitions & Conferences (IEC) were formed |
| 2006 | ABEC organizes ACETECH – B2B building materials exhibition |
| 2007 | Asian Business Exhibition & Conferences Limited was incorporated Businesses of the 3 proprietary concerns were transferred to our Company, namely Asian Business Exhibitions and Conferences - proprietary concern of Sumit Gandhi, Indian |

| | |
|-------------|---|
| | Exhibitions & Conferences - proprietary concern of Manish Gandhi, and; Media Eleven - proprietary concern of Satinder Pal Kaur. |
| 2009 | Acquisition of 100% stake in Oil Asia Publication Private Limited to subsidarise it with effect from April 1, 2009 |

Our Subsidiary

As on date of the Draft Red Herring Prospectus we have one 100% subsidiary, namely Oil Asia Publication Private Limited, details of which are as follows:-

Oil Asia Publication Private Limited (“OAPPL”)

OAPPL was incorporated on May 8, 2007 with CIN U11200MH2007PTC170671. The registered office of OAPPL is situated at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri -West, Mumbai - 400 053.

Pursuant to the purchase of shares from the shareholders of OAPPL, it became our 100% subsidiary with effect from April 1, 2009.

The main objects of OAPPL are – To carry on the business in the Asian continent related to Oil Industry publication, data compilation, research or statistics. Organizing Oil Industry related data symposia/conferences, seminar, Information dissemination for the Oil Industry

Board of Directors

The board of directors of OAPPL, as on date of the Draft Red Herring Prospectus, consists of Surendra Gandhi, Sumit Gandhi and Manish Gandhi.

Shareholding Pattern

The shareholding pattern of OAPPL as on date of DRHP is:

| Sr. No. | Name of Shareholders | No. of Equity Shares held | % Shareholding |
|---------|--|---------------------------|----------------|
| 1. | Asian Business Exhibition & Conferences Limited | 9,994 | 99.94 |
| 2. | Asian Business Exhibition & Conferences Limited jointly with Surendra Gandhi* | 1 | 0.01 |
| 3. | Asian Business Exhibition & Conferences Limited jointly with Satinder Pal Kaur * | 1 | 0.01 |
| 4. | Asian Business Exhibition & Conferences Limited jointly with Sumit Gandhi* | 1 | 0.01 |
| 5. | Asian Business Exhibition & Conferences Limited jointly with Manish Gandhi* | 1 | 0.01 |
| 6. | Asian Business Exhibition & Conferences Limited jointly with Bulbeer Kaur * | 1 | 0.01 |
| 7. | Asian Business Exhibition & Conferences Limited jointly with Mandeep Gandhi* | 1 | 0.01 |
| | Total | 10,000 | 100.00 |

* Held in the capacity of nominee of Asian Business Exhibition & Conferences Limited

Financial Performance:

The summary audited financial statements for Fiscal 2008, Fiscal 2009 and six months ended September 30, 2009 are as follows:

(Rs. in lacs except per share data)

| Particulars | FY 2007-08 | FY 2008-09 | Period ended September 30, 2009 |
|-------------------------|------------|------------|---------------------------------------|
| Equity capital | 1.00 | 1.00 | 1.00 |
| Reserves | 23.46 | 26.17 | 67.03 |
| Total Income | 144.47 | 147.57 | 106.88 |
| Profit After Tax | 23.46 | 2.71 | 40.86 |
| Earning per Share (Rs.) | 234.56 | 27.14 | 408.55 |
| Net Asset Value (Rs.) | 233.54 | 261.91 | 671.07 |

OAPPL is an unlisted company and has not made any rights issue or public issue in preceding three years. It has not become sick company under the meaning of SICA.

Shareholders Agreements

There are no shareholders agreements among our shareholders in relation to our Company.

Joint Venture Agreements

As on date of filing the Draft Red Herring Prospectus with SEBI we have not entered into any joint venture agreements with any other company or entity.

Other Agreements

1. Non Compete Agreements

Our Company has entered into separate Business Non Compete Agreements all dated January 22, 2010, with New Media 29 Events Private Limited, Surendra Gandhi, Sumit Gandhi, Manish Gandhi and Satinder Pal Kaur, (“Non Competing Party” / “Non Competing Parties”) on account of the common pursuit arising out of similar business operations between them and our Company / Subsidiary (“Agreements”).

All the aforesaid Business Non-Compete Agreements have identical terms as mentioned below: Our Company and the Non Competing Parties have agreed that with effect from the date of the Agreements, the Non-Competing Party shall not whether directly or indirectly through its Affiliate(s), (except through Asian Business Exhibition & Conferences Limited) either on its own behalf or on behalf of any person, firm or corporation competing or endeavoring to compete with our Company directly or indirectly in the provisions of the services which includes but is not limited to the services which are similar to the business of organising national and/or international shows, exhibitions, events or programmes for trade, sales promotion, business conference, seminar, corporate requirements, auctions, product launch, modeling, entertainment, printing / publications, recreations amusements, sports, social gathering, cultural activities, family get-together, political programmes or such other events in any territory of the world without the prior written approval of our Company.

Affiliate (s) as mentioned above shall include a corporation, a company, partnership, proprietary concern, trust or other entity, directly or indirectly controlling or controlled by the Non Competing Parties or under direct or indirect common control with the Non Competing Parties.

2. Business Transfer Agreement

Business transfer agreement with Asian Business Exhibitions and Conferences (“ABEC”) a proprietary concern of Sumit Gandhi, Indian Exhibitions & Conferences (“IEC”) a proprietary concern of Manish Gandhi and Media Eleven a proprietary concern of Satinder Pal Kaur (“Transferors”) *vide* business transfer agreement dated May 01, 2007, whereby ABEC, IEC and Media Eleven intend to consolidate and pool their businesses as going concerns and transfer the assets and liabilities of their respective businesses to ABECL.

Key Terms of the Agreement:

1. All cash and bank balances of the Transferors in relation to their respective Businesses will be transferred by ABEC, IEC and Media Eleven prior to the Completion Date i.e. April 30, 2010, to ABECL.
2. All amounts paid in relation to events including prepaid advances or expenses for events to be held after May 1, 2007 shall stand transmitted to ABECL and will be treated accordingly in the books of accounts of ABECL.;
3. All intellectual property including trademarks and/or trade names, brands, copyrights etc. of ABEC, IEC and Media Eleven up to the end of the transition period, shall be transferred to ABECL by way of a deed of assignment to be entered into between the concerned Transferors and ABECL or otherwise;
4. The aggregate consideration of the Businesses by the Transferors shall be the acceptance of the Liabilities of the Transferors by ABECL till the Completion Date of the whole transfer i.e. till April 30, 2010.
5. All the Assets of the businesses transferred to ABECL, shall be free from all encumbrances, charges, mortgages, lien, and each ABEC, IEC and Media Eleven shall indemnify ABECL, if any other person claims any right, title or interest whatsoever in relation to their respective businesses prior to a period before the execution of this Agreement.
6. Each Transferor shall indemnify ABECL from all liabilities in respect of the non-payment of any sums of money and interest and the breach of non-performance or non-observance of any covenants, agreements or conditions entered into by ABEC, IEC and Media Eleven.

3. Business Agreement

Our Company *vide* a Master Event Agreement (“Agreement”) dated January 06, 2010 has entered into a media promotion arrangement with BCCL (Times Group) for a period till September 14, 2011 in respect of organizing and promoting events including exhibitions, conferences and trade fairs at various places for marketing various products and services (“Events”/ “Events”). Our Company has organized and promoted various Events with BCCL in various cities all over India including AV Revolution, Realty Expo, Property Expo, Education Boutique, Realty Expo, Glamour, Business Spaces, ACETECH, Education Expo, Education Forum, Glitter and Asia IT Expo.

As per the said Agreement, BCCL shall promote the Events and our Company shall be responsible for organization, management and necessary co-ordination for the Events.

Key terms of the Master Event Agreement

1. Our Company as a consideration for promotion of the Events by BCCL, will provide stalls at the venue of the Events to the advertisers of BCCL in its publications at a pre-determined rate and/or make such other payment to BCCL as agreed in writing by and between our Company and BCCL in respect of each and every Event. Both the parties agree to consume pre-determined part of the revenue generated (by providing stalls as mentioned above) by promoting in the special feature and towards pre-event promotion in the BCCL publications to build up and promote the Events.

2. Our Company hereby gives first right of refusal to BCCL in case of promotions of the Event in any media or medium other than BCCL's publications, on mutually agreed terms and conditions prior to such promotion.
3. Our Company agrees that it shall not, during the subsistence of the said Agreement, enter into similar agreement or arrangement in relation to the said Agreement with any party without the prior consent of BCCL in writing.
4. All intellectual property rights including trademarks and copyrights in the Logo of the Event (excluding the words, marks, etc. belonging to our Company and forming part of the Logo of the Event) shall belong to our Company and vice versa.
5. Our Company shall not use the logo of and the words, marks etc. belonging to BCCL and vice versa for any purpose whatsoever other than for the purposes of the Events during the terms of the said Agreement. Our Company shall agree in writing prior to every Event, on specific logo of the Event to be used for such Event and to the intellectual property rights therein.
6. The said Agreement maybe terminated by either party at any time without assigning any reason whatsoever by giving two months notice in writing to other party. Further, BCCL may terminate the said Agreement by giving a 15 days notice to our Company in the event our Company is unable to market 50% of the total stalls area on or before 15 days prior to the Event. In case of early termination of the said Agreement our Company shall pay to BCCL within 15 working days, 50% of the charges for publication of advertisements in various BCCL publications and / or other media properties owned and controlled by BCCL.

In furtherance to the abovementioned Agreement, prior to every Event, consideration price in relation to the sale of exhibition space to BCCL in the said Event is finalized and recorded in writing, in accordance with the terms and conditions of the abovementioned Agreement.

4. Deed of Assignment of Trade marks

A Deed of Assignment (the "**said Deed**") dated December 18, 2009, has been entered into by and between our Company ("Assignee") and ABEC ("Assignor"), the proprietary concern of our Promoter Sumit Gandhi, wherein the Assignee has agreed to purchase and acquire for consideration of and accept the sale, transfer and the assignment of all the right, title and interest, property and benefit and the beneficial ownership whatsoever in India or elsewhere, with respect to various trademarks registered and applied for under the Trade Mark Act, 1999 by the Assignor ("Assigned trade Marks"). Further the Assignor has also agreed to transfer the goodwill of the business in relation to the services for which the Assigned Trade Marks are registered and/or used in India or elsewhere. The Assigned Trade Marks are free from all demands, claims, charges, encumbrances, liens and the like, and all the rights, benefits and property, goodwill attached, accruing or raising to the Assigned Trade Marks are assigned to the Assignee for ever. The said Deed have been executed for a consideration of Rupee one for each Assigned Trade Mark.

5. Deed of Assignment of Copyrights

A Deed of Assignment (the "**said Deed**") dated December 29, 2009, has been entered into by and between our Company ("Assignee") and ABEC ("Assignor"), the proprietary concern of our Promoter Sumit Gandhi, wherein the Assignee has agreed to purchase and acquire for consideration of and accept the sale, transfer and the assignment of all the right, title and interest, property and benefit and the beneficial ownership whatsoever in India or elsewhere, with respect to various copyrights registered under the Indian Copyrights Act, 1957 by the Assignor ("Assigned Copyrights"). Further the Assignor has also agreed to transfer the goodwill of the business in relation to the services for which the Assigned Copyrights are registered and/or used in India or elsewhere. The Assigned Copyrights are free from all demands, claims, charges, encumbrances, liens and the like, and all the rights, benefits and property, goodwill attached, accruing or raising to the Assigned Copyrights are assigned to the Assignee for ever. The said Deed have been executed for a consideration of Rs. 2,80,000 for all (four) Assigned Copyrights together.

OUR MANAGEMENT

OUR DIRECTORS

Our Board consists of six directors of which three are independent directors and three are executive directors. Our Chairman is an executive and non - independent director. As per our Articles of Association, our Board shall consist of not less than three Directors and not more than twelve Directors. 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, Father's Name, Address, Terms, Occupation, DIN and Nationality | Designation | Other Directorships |
|---------|--|---|---|
| 1. | <p>Surendra Mohan Singh Gandhi S/o. Late S. Gurbaksh Singh Gandhi</p> <p>44, Movie Tower, Lokhandwala Complex, Andheri - West, Mumbai 400 053</p> <p>Age: 66 years</p> <p>Term of Office: Holds office for a term of five years till September 30, 2014.</p> <p>Occupation: Business</p> <p>DIN: 02018118</p> <p>Nationality: Indian</p> | <p>Chairman & Managing Director</p> | <ul style="list-style-type: none"> ● New Media 29 Events Private Limited ● Oil Asia Publication Private Limited |
| 2. | <p>Sumit Mohan Singh Gandhi S/o. Surendra Mohan Singh Gandhi</p> <p>54, Movie Tower, Lokhandwala Complex, Andheri- West, Mumbai 400 053</p> <p>Age: 37 years</p> <p>Term of Office: Holds office for a term of five years till September 30, 2014.</p> <p>Occupation: Business</p> <p>DIN: 01972728</p> <p>Nationality: Indian</p> | <p>Whole Time Director</p> | <ul style="list-style-type: none"> ● New Media 29 Events Private Limited ● Oil Asia Publication Private Limited |
| 3. | <p>Manish Mohan Singh Gandhi S/o. Surendra Mohan Singh Gandhi</p> <p>53, Movie Tower, Lokhandwala Complex, Andheri- West, Mumbai 400 053</p> <p>Age: 32 years</p> <p>Term of Office: Holds office for a term of five years till September 30, 2014 (subject to retirement by rotation)</p> | <p>Whole Time Director</p> | <ul style="list-style-type: none"> ● New Media 29 Events Private Limited ● Oil Asia Publication Private Limited |

| Sr. No. | Name, Father's Name, Address, Terms, Occupation, DIN and Nationality | Designation | Other Directorships |
|---------|---|----------------------|---|
| | Occupation: Business | | |
| | DIN: 02440261 | | |
| | Nationality: Indian | | |
| 4. | <p>Padmanabh P. Vora S/o Pundrikray Vora</p> <p>503-504, Mount Everest, A-Wing, Bhakti park, Near Imax Adlab Theatre, Wadala, Mumbai-400 037</p> <p>Age: 66 years</p> <p>Term of Office: Liable to retire by rotation</p> <p>Occupation: Profession</p> <p>DIN: 00003192</p> <p>Nationality: Indian</p> | Independent Director | <ul style="list-style-type: none"> • J. Kumar Infraprojects Limited • National Securities Depository Limited • Nilgiri Dairy Farm Private Limited • Omaxe Limited • Rama Cylinders Private Limited • Reliance Capital Trustee Company Limited • Reliance Consumer Finance Private Limited • Reliance Homes Finance Private Limited • The Zandu Pharmaceuticals Works Limited |
| 5. | <p>Shri Bhagwan Agarwal S/o Shyam Saran Agarwal</p> <p>1005, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai-400 021</p> <p>Age: 71 years</p> <p>Term of Office: Liable to retire by rotation</p> <p>Occupation: Consultancy</p> <p>DIN: 00524452</p> <p>Nationality: Indian</p> | Independent Director | <ul style="list-style-type: none"> • Banswara Syntex Limited • Bombay Rayon Fashions Limited • Bhagwan Computronics Private Limited • Rani Sati Trading Company Private Limited • Technocraft Industries (India) Limited • Zarhas Laxmi Trading Company Private Limited |
| 6. | <p>Satyanarayanrao Dasika S/o Sitapatirao Subbahrajulu Dasika</p> <p>RH-31, Punith Park, Sector 17, Nerul, Navi Mumbai-400 706</p> <p>Age: 66 years</p> <p>Term of Office: Liable to retire by rotation</p> <p>Occupation: Consultancy</p> <p>DIN: 02902675</p> <p>Nationality: Indian</p> | Independent Director | NIL |

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

* Padmanabh P. Vora, Shri Bhagwan Agarwal and Satyanarayanrao Dasika have been appointed as Additional Directors of our Company by a resolution passed by the Board of Directors dated January 04, 2010.

BRIEF BIOGRAPHIES OF THE DIRECTORS

Surendra Gandhi, Chairman & Managing Director

Surendra Gandhi, aged 66 years, is a Promoter and Chairman & Managing Director of our Company. While studying for graduation he was involved with media and later on he contributed articles for magazines and national dailies. In early seventies, he was involved in publishing a regional daily newspaper. In 1983 he started a trade magazine in the name and style of Oil Asia under his proprietary concern 'Oil Asia Journal'. In 1994, he conducted the 1st edition of India Oil and Gas Review Symposium (IORS). Thereafter, he involved himself in managing other exhibitions of the oil and petrochemicals industry. He has over two decades of experience in the field of publication and over 15 years of experience in managing and organizing conferences and exhibitions. He is also a member of the Press Club of India, Delhi. Currently, he is responsible for publications, human resources related matters, administrative affairs and policy matters in our Company.

Sumit Gandhi, Whole Time Director

Sumit Gandhi, aged 37 years, is a Promoter and Whole Time Director of our Company. He is a Chartered Accountant and holds a bachelors degree in commerce from University of Bombay. He has nearly a decade's experience in the field of exhibition industry. Before joining our Company, in the year 1998 he worked with Punjab National Bank and then in the year 1999 he joined the Schlumberger group and was involved in handling day to day finance and accounts assignments. Thereafter he promoted a proprietary concern 'Asian Business Exhibitions and Conferences' which had organized renown events such as Glamour, Glitter, Glasscon, TG Tech, ACETECH, AV Revolution etc. Currently, he is responsible for sales and marketing activities of the Company.

Manish Gandhi, Whole Time Director

Manish Gandhi, aged 32 years, is a Promoter and a Whole Time Director of our Company. He holds a Bachelors degree of Engineering (Electronics) from University of Mumbai. He has nearly a decade's experience in the field of exhibition industry. Before joining our Company, he worked with the Halliburton group as an Engineer for a period of around four years. Thereafter he promoted a proprietary concern 'Indian Exhibitions & Conferences' which had organized events such as IIEE, OfficeX, IT Expo, Smart card Expo, Safety and Security, Shagun. He is also an Executive Editor of Oil Asia magazine, a monthly magazine and is involved in looking after the editing and technical contribution. In our Company, he is responsible for financial and operational activities of the Company which includes operational activities of around sixty well established exhibitions and is also involved in the planning of the events, their execution on the site and venues.

Padmanabh P. Vora, Independent Director

Padmanabh P. Vora, aged 66 years, is an Independent Director of our Company. He holds a Bachelors degree of commerce, he is also a member of the ICAI, further he is also Associate of Indian Institute of Bankers. He started his career with State Bank of India in 1967. He has over 35 years experience in finance, banking and management. He was inducted on the Board of Directors of our Company in the year 2010. During his long and illustrious career as banker, he has held several prestigious positions in the industry such as serving as the Chairman and Managing Director of the Industrial Development Bank of India from which he retired in 2003. He was also associated as a consultant with Deloitte Touch Tohmatsu India Private Limited and presently he is consultant at C3 Advisors Private Limited.

Shri Bhagwan Agarwal, Independent Director

Shri Bhagwan Agarwal, aged 71 years, is an Independent Director of our Company. He holds a masters degree of commerce from Victoria College, Gwalior, Masters Degree in Arts (Economics) from Christ Church College, University of Agra and Bachelors degree in law from MLB Victoria College, Gwalior. Further, he is also a fellow member of ICAI. He has over 45 years of experience in textile, audit, accountancy and finance. He was introduced on the Board of Directors of our Company in the year 2010. During his career he worked as an audit officer for P.L.Tandon and Company, he was also a president and chief financial officer of Rajasthan Spinning Mills (Bhliwara group) Delhi, he has served the industry of textile as a business head for global textile companies in Aditya Birla Group having textile units at various locations in India and abroad. He has also worked with J C Mills, Gwalior, a Birla Group Company till 1980 before he shifted to Mumbai. He is presently he is operating his own consultancy firm in Mumbai.

Satyanarayanrao Dasika, Independent Director

Satyanarayanrao Dasika, aged 66 years, is an Independent Director of our Company. He holds a Bachelors degree of technology (chemical engineering) from University of Osmania, he has also done an advancement course at IIM, Calcutta. He has over 40 years of experience in the stream of oil and gas industry. He was introduced on the Board of Directors of our Company in the year 2010. During his career he was involved in the development, project execution and operations of oil and gas fields. For the last seven years of his career he has served various organisations as a consultant in the filed of exploration and production, the organisations include names like M/s. Oil Tech Consultants, Chilworth India Limited and Naftogaz India Limited. He has also been a speaker for the IORS conferences and for the same he was receiving a fee. He is presently working as a consultant in the oil and gas sector.

BORROWING POWERS OF BOARD OF DIRECTORS

The borrowing powers of our Directors are regulated by Articles 95, 96, 97, 98 and 99 of the Articles of Association of our Company.

Pursuant to a special resolution passed at the Annual General Meeting of our shareholders held on September 25, 2009 our Directors were authorised to borrow money(s) on behalf of our Company in excess of the paid up share capital and the free reserves of our Company from time to time, pursuant to the provisions of Section 293(1)(d) of the Companies Act, subject to an amount not exceeding Rs. 5000 lacs.

For further details of the provisions of our Articles of Association regarding borrowing powers, refer to the section titled “*Description of Equity Shares and the Terms of the Articles of Association*” beginning on page 273 of the Draft Red Herring Prospectus.

COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR / WHOLE TIME DIRECTORS

Our Directors, as mentioned below have not entered into any service contract (which provides for benefits upon termination of employment) with our Company:

(Rs. in lacs)

| Name of Director | Designation | Compensation paid for Fiscal 2009 |
|-------------------------|------------------------------|--|
| Surendra Gandhi | Chairman & Managing Director | 12.66 |
| Sumit Gandhi | Whole Time Director | 14.56 |
| Manish Gandhi | Whole Time Director | 13.90 |

1. Terms of appointment and compensation of Surendra Gandhi, Chairman & Managing Director is as follows:

Surendra Gandhi was appointed as a Managing Director of our Company for a period of three years w.e.f. May 01, 2007 at a meeting of the Board of Directors held on April 12, 2007 and EGM dated April 16, 2007. Further, *vide* Shareholders special resolution dated September 30, 2009, our Company appointed him as the Chairman & Managing Director for a period of five years w.e.f. October 01, 2009. Our Company also entered into an agreement dated October 29, 2009 with Surendra Gandhi for the abovementioned appointment. The terms of appointment for Surendra Gandhi are as follows:

| CATEGORY | PARTICULARS |
|----------------------------|--|
| Basic Salary | Rs. 30,00,000/- (Rupees Thirty Lacs Only) per annum with effect from October 1, 2009 within a grade upto a maximum of Rs. 40,00,000/- (Rupees Forty Lacs only) per annum; with annual increments of which will be effective 1 st April each year, as may be decided by the Board, based on merit and taking into account the Company's performance. |
| Perquisites and Allowances | <p>Category A Medical Re-imburement: Medical expenses actually incurred for self and family shall be reimbursed by the Company under the medi claim Policy.</p> <p>Leave Travel Concession: Company shall provide leave travel fare for the Chairman & Managing Director and his family once a year, anywhere in India as per the Rules applicable to the Company and per Income Tax Rules</p> <p>Category B The Company shall contribute towards Provident Funds/ Superannuation Fund / Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act.</p> <p>The Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service.</p> <p>Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules.</p> <p>The perquisites under this category shall not be included in the computation of ceiling on remuneration.</p> <p>Category C The Company shall provide a car with a driver at the cost of the Company for business use of the Company.</p> <p>The Chairman & Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.</p> <p>Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be reimbursed.</p> <p>Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Chairman & Managing Director.</p> |
| Sitting Fees | The Chairman & Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for |

| CATEGORY | PARTICULARS |
|----------------------|---|
| | attending meetings of the Board of Directors and/or the Committees thereof. |
| Minimum Remuneration | The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Chairman & Managing Director and other Whole Time Directors of the Company taken together. Provided however that in the event of absence or inadequacy of profit, the Chairman & Managing Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. However Chairman & Managing Director shall not be paid any sitting fees for attending the Board or Committee meetings. |
| Term And Termination | The appointment notwithstanding the 5 years tenure fixed with effect from October 1, 2009 may be terminated by either party by giving three months notice in writing. In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company, to the Chairman & Managing Director. However, no compensation for the loss of office will be payable by the Company as contemplated under the provisions of Section 318 of the Companies Act, 1956. The Chairman & Managing Director shall not be liable to retirement by rotation |

2. Terms of appointment and compensation of Sumit Gandhi, Whole Time Director is as follows:

Sumit Gandhi was appointed as an Executive Director of our Company for a period of three years w.e.f. May 01, 2007 at a meeting of the Board of Directors held on April 12, 2007 and EGM dated April 16, 2007. Further, *vide* Shareholders special resolution dated September 30, 2009, our Company appointed him as the Whole Time Director for a period of five years w.e.f. October 01, 2009. Our Company also entered into an agreement dated October 29, 2009 with Sumit Gandhi for the abovementioned appointment. The terms of appointment for Sumit Gandhi are as follows:

| CATEGORY | PARTICULARS |
|----------------------------|---|
| Basic Salary | Rs. 25,00,000/- (Rupees Twenty Five Lacs Only) per annum with effect from October 1, 2009 within a grade upto a maximum of Rs. 34,00,000/- (Rupees Thirty Four Lacs only) per annum; with annual increments of which will be effective 1 st April each year, as may be decided by the Board, based on merit and taking into account the Company's performance. |
| Perquisites and Allowances | <p>Category A</p> <p>Medical Re-imbursment: Medical expenses actually incurred for self and family shall be reimbursed by the Company under the Mediclaim Policy.</p> <p>Leave Travel Concession: Company shall provide leave travel fare for the Chairman & Managing Director and his family once a year, anywhere in India as per the Rules applicable to the Company and per Income Tax Rules.</p> <p>Category B</p> <p>The Company shall contribute towards Provident Funds/ Superannuation Fund / Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act.</p> <p>The Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service.</p> |

| CATEGORY | PARTICULARS |
|----------------------|---|
| | <p>Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules.</p> <p>The perquisites under this category shall not be included in the computation of ceiling on remuneration.</p> <p>Category C The Company shall provide a car with a driver at the cost of the Company for business use of the Company</p> <p>The Company shall provide telephone including mobile phone at the residence of the Whole-time Director at the cost of the Company.</p> <p>The Whole-time Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.</p> <p>Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</p> <p>Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Whole-time Director.</p> |
| Sitting Fees | The Whole-time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meetings of the Board of Directors and/or the Committees thereof. |
| Minimum Remuneration | The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Whole-time Director and other Whole Time Directors of the Company taken together. Provided however that in the event of absence or inadequacy of profit, the Whole-time Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. |
| Term And Termination | <p>The appointment notwithstanding the 5 years tenure fixed with effect from October 1, 2009 may be terminated by either party by giving three months notice in writing.</p> <p>In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company, to the Whole-time Director. However, no compensation for the loss of office will be payable by the Company as contemplated under the provisions of Section 318 of the Companies Act, 1956.</p> <p>Mr. Sumit Mohan Singh Gandhi, Whole Time Director, shall not be liable to retirement by rotation.</p> |

3. Terms of appointment and compensation of Manish Gandhi, Whole Time Director is as follows:

Manish Gandhi was appointed as an Executive Director of our Company for a period of three years w.e.f. May 01, 2007 at a meeting of the Board of Directors held on April 12, 2007 and EGM dated April 16, 2007. Further, *vide* Shareholders special resolution dated September 30, 2009, our Company appointed him as the Whole Time Director for a period of five years w.e.f. October 01, 2009. Our Company also entered into an agreement dated October 29, 2009 with Manish Gandhi for the abovementioned appointment. The terms of appointment for Manish Gandhi are as follows:

| CATEGORY | PARTICULARS |
|----------------------------|---|
| Basic Salary | Rs. 25,00,000/- (Rupees Twenty Five Lacs Only) per annum with effect from October 1, 2009 within a grade upto a maximum of Rs. 34,00,000/- (Rupees Thirty Four Lacs only) per annum; with annual increments of which will be effective 1 st April each year, as may be decided by the Board, based on merit and taking into account the Company's performance. |
| Perquisites and Allowances | <p>Category A</p> <p>Medical Re-imburement: Medical expenses actually incurred for self and family shall be reimbursed by the Company under the Mediciclaim Policy.</p> <p>Leave Travel Concession: Company shall provide leave travel fare for the Chairman & Managing Director and his family once a year, anywhere in India as per the Rules applicable to the Company and per Income Tax Rules.</p> <p>Category B</p> <p>The Company shall contribute towards Provident Funds/ Superannuation Fund / Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act.</p> <p>The Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service.</p> <p>Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules.</p> <p>The perquisites under this category shall not be included in the computation of ceiling on remuneration.</p> <p>Category C</p> <p>The Company shall provide a car with a driver at the cost of the Company for business use of the Company</p> <p>The Company shall provide telephone including mobile phone at the residence of the Whole-time Director at the cost of the Company.</p> <p>The Whole-time Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.</p> <p>Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed</p> <p>Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Whole-time Director.</p> |
| Sitting Fees | The Whole-time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meetings of the Board of Directors and/or the Committees thereof. |
| Minimum Remuneration | The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Whole-time Director and other Whole Time Directors of the Company taken together. Provided however that in the event of absence or inadequacy of profit, the Whole-time Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration |

| CATEGORY | PARTICULARS |
|----------------------|---|
| | specified in Schedule XIII of the Companies Act, 1956. |
| Term And Termination | The appointment notwithstanding the 5 years tenure fixed with effect from October 1, 2009 may be terminated by either party by giving three months notice in writing. |
| | In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company, to the Whole-time Director. However, no compensation for the loss of office will be payable by the Company as contemplated under the provisions of Section 318 of the Companies Act, 1956. |
| | Mr. Manish Mohan Singh Gandhi, Whole Time Director, shall be liable to retirement by rotation. |

SITTING FEES PAYABLE TO NON EXECUTIVE DIRECTORS

Sitting fees of Rs. 20,000 per meeting is payable to our Non-Executive and Independent Directors for attending Board and Committee Meetings, as approved *vide* Board resolution dated January 04, 2010.

SHAREHOLDING OF OUR DIRECTORS

As per our Articles of Association, our Directors are not required to hold any Equity Shares in our Company to qualify him for the office of Director of our Company. Save and except as below, our Directors do not hold any Equity Shares in our Company as on the date of the Draft Red Herring Prospectus.

| Name of the Directors | Number of Equity Shares | % of pre issue Equity Share capital |
|------------------------|-------------------------|-------------------------------------|
| Surendra Gandhi | 10,20,000 | 12.00 |
| Sumit Gandhi | 34,00,000 | 40.00 |
| Manish Gandhi | 32,29,150 | 37.99 |
| Padmanabh P. Vora | Nil | Nil |
| Shri Bhagwan Agarwal | Nil | Nil |
| Satyanarayanrao Dasika | Nil | Nil |

RELATIONSHIP BETWEEN THE DIRECTORS

None of our Directors or Key Managerial Personnel are “relatives” within the meaning of Section 6 of the Companies Act except as stated below:

| Name of the Director | Relationship |
|----------------------|---|
| Surendra Gandhi | Father of Sumit Gandhi and Manish Gandhi |
| Sumit Gandhi | Son of Surendra Gandhi and brother of Manish Gandhi |
| Manish Gandhi | Son of Surendra Gandhi and brother of Sumit Gandhi |

None of our Directors are appointed pursuant to any arrangement or understanding with major shareholders, customers or suppliers.

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board, commission payable to our Non executive Directors as well as to the extent of remuneration payable to our Executive Directors for their services as executive directors of our Company and reimbursement of expenses payable to them under our Articles of Association. All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives or firms, trusts or other entities/bodies corporate in which they have interest, and also to the extent

of any dividend payable to them and other distributions in respect of the said Equity Shares. Our non-Promoter Directors may also be deemed to be interested in the Equity Shares, if any, out of the present Issue that may be subscribed by and Allotted/transferred to the companies, firms and trusts and other entities/bodies corporate in which they are interested as Directors, members, partners and/or trustees or otherwise as also any benefits, monetary or otherwise derived there from.

Further, save and except as stated otherwise on page 89 under the paragraph titled ‘*Properties*’ under the chapter titled “*Business Overview*” beginning on page 71 of the Draft Red Herring Prospectus, page 113 under the paragraph titled “*Shareholding of our Directors*” under the chapter titled “*Our Management*”, page 105 under the “*Annexure XXII*” titled “*Related Party Disclosure*” beginning on page 151 in the chapter titled “*Financial Statements*” of the Draft Red Herring Prospectus, and on page 113 under the heading titled “*Interest of our Promoters*” in the chapter titled “*Our Promoters*” beginning on page 124 of the Draft Red Herring Prospectus, 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 or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

The following are the changes in our Board of Directors during the last three years:

| Name and Designation of the Director | Date of Appointment | Date of Resignation | Remark |
|--------------------------------------|---------------------|---------------------|-----------------------------------|
| Surendra Gandhi | April 10, 2007 | N.A. | Appointed as the first Director |
| Sumit Gandhi | April 10, 2007 | N.A. | Appointed as the first Director |
| Manish Gandhi | April 10, 2007 | N.A. | Appointed as the first Director |
| Satinder Pal Kaur | April 10, 2007 | September 26, 2009 | Resignation |
| Mandeep Gandhi | October 01, 2008 | August 31, 2009 | Resignation |
| Bulbeer Kaur | September 26, 2009 | January 04, 2010 | Resignation |
| | October 01, 2008 | August 31, 2009 | Resignation |
| Bulbeer Kaur | September 26, 2009 | January 04, 2010 | Resignation |
| | October 01, 2008 | August 31, 2009 | Resignation |
| Padmanabh P. Vora | January 04, 2010 | N.A. | Appointed as Independent Director |
| Shri Bhagwan Agarwal | January 04, 2010 | N.A. | Appointed as Independent Director |
| Satyanarayanrao Dasika | January 04, 2010 | N.A. | Appointed as Independent Director |

CORPORATE GOVERNANCE

The provisions of the Listing agreements to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI Rules and Regulations in respect of corporate governance become applicable to the Company at the time of seeking in-principle approval of the Stock Exchanges. Our Company has taken steps to comply with such provisions, as contained in Equity Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Shareholder / Investor Grievance Committee, etc. Further, Our Company undertakes to take all necessary steps to comply with all the requirements of the regulations on corporate governance and adopt the corporate governance code as per Clause 49 of the listing agreement to be entered into with the Stock Exchanges.

VARIOUS COMMITTEES OF DIRECTORS:

In terms of the Clause 49 of the Listing Agreement, our Company has already appointed Independent Directors and constituted the following Committees of the Board:

1. Audit Committee
2. Remuneration Committee
3. Shareholders/ Investor Grievance Committee
4. Management Committee

1. AUDIT COMMITTEE

Our Board constituted an Audit Committee, pursuant to the provisions of Section 292A of the Companies Act. The Audit Committee was reconstituted *vide* the Board resolution dated January 04, 2010.

The terms of reference of Audit Committee comply with the requirements of Clause 49 of the Listing Agreement. Currently the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------|
| Padmanabh P. Vora | Chairman | Independent |
| Shri Bhagwan Agarwal | Member | Independent |
| Manish Gandhi | Member | Executive |

Our Company Secretary Pravin N. Patil, will act as the secretary of the Committee.

The Audit Committee enjoys following powers: -

1. To invite such of the executives, as it considers appropriate (and particularly the head of finance function) to be present at the meetings of the Committee,
2. To investigate any activity within its terms of reference;
3. To seek information from any employee;
4. To obtain outside legal or other professional advice; and
5. To secure attendance of outsiders with reasonable expertise, if considered necessary.

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

1. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditors
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act 1956;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report;
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other

- than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Monitoring the use of the proceeds of the proposed initial public offering of the Company.
 9. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 10. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
 11. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
 12. Discussion with internal and statutory auditors on any significant findings and follow up there on;
 13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 14. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
 16. To review the functioning of the Whistle Blower mechanism, when the same is adopted by the Company and is existing;
 17. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee;
 18. The Audit Committee shall mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
 - Financial statements, in particular, the investments made by the unlisted subsidiary company.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be 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.

2. REMUNERATION COMMITTEE

For Remuneration of Directors, our Company has constituted Remuneration Committee *vide* Board Resolution dated January 04, 2010. The Committee has powers of recommending remuneration package to for Executive Directors and other Board members as per the requirements of the Clause 49 of the Listing Agreement for Corporate Governance. Currently the Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Satyanarayanrao Dasika | Chairman | Independent |
| Padmanabh P. Vora | Member | Independent |
| Shri Bhagwan Agarwal | Member | Independent |

The Company Secretary of our Company acts as the secretary to the Committee.

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India, including:

- The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
2. 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.*);
 3. 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;
 4. Perform such functions as are required to be performed by the Remuneration Committee under the ESOP Guidelines, in particular, those stated in Clause 5 of the ESOP Guidelines; and
 5. To implement, supervise and administer any share or stock option scheme of our Company
 6. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

3. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a Shareholders / Investors Grievance Committee vide resolution dated January 04, 2010, as per the requirements of the Clause 49 of the Listing Agreement for Corporate Governance, for redressing Shareholder/ Investor complaints. Currently the Shareholders / Investors Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Shri Bhagwan Agarwal | Chairman | Independent |
| Satyanarayanrao Dasika | Member | Independent |
| Surendra Gandhi | Member | Executive |

The Company Secretary of our Company acts as the Secretary to the 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. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. Ensure proper and timely attendance and redressal of investor queries and grievances.
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.
9. To review from time to time the secretarial department.
10. Investor relations and redressal of shareholders grievances in general and relating to non receipt of declared dividends, interest, non- receipt of balance sheet *etc.*;

Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

4. MANAGEMENT COMMITTEE

The Management Committee was constituted *vide* Board Resolution dated January 04, 2010 to oversee and inform the Audit Committee when money is raised through prospectus or rights or preferential issues and shall inform of funds received, utilized, pending for project implementation *etc.* for the information of the Stock Exchanges and Investors and shall keep the information up dated through our Company's website.

The composition of the Management Committee is as follows:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Surendra Gandhi | Chairman | Executive |
| Sumit Gandhi | Member | Executive |
| Manish Gandhi | Member | Executive |

The terms of reference of the Management Committee of our Company includes:

1. To appoint and enter into arrangements with the book running lead managers, co-mangers to the issue, underwriters to the issue, syndicate members to the issue, advisors to the issue, stabilizing agent, brokers to the issue, escrow collection bankers to the issue, registrars, legal advisors as to Indian and overseas jurisdictions, advertising and/or promotion or public relations agencies and any other agencies or persons;
2. To decide on the actual size of the Issue, including any offer for sale by promoters/shareholders, and/or reservation for employees or shareholders of promoting companies or shareholders of group companies and/or any other reservations or firm allotments as may be permitted, timing, pricing and all the terms and conditions of the issue of the shares, including the price, and to accept any amendments, modifications, variations or alterations thereto;
3. To finalize and settle and to execute and deliver or arrange the delivery of the offer documents (the draft red herring prospectus, the red herring prospectus, final prospectus (including the draft international wrap and final international wrap, if required, for marketing of the Issue in jurisdictions outside India), syndicate agreement, underwriting agreement, escrow agreement, stabilization agreement and all other documents, deeds, agreements and instruments as may be required or desirable in connection with the issue and/or sale of shares by the Company;
4. To authorize employees of the Company for purchase whether on hire purchase or otherwise or sale of vehicle;
5. To decide on opening branches / godowns at different places in the country or abroad subject to such permission as may be required from different authorities.
6. To borrow monies not exceeding Rs. 5,000 Lacs or such other amount as may be authorized by the shareholders at the General Meeting, together with the monies already borrowed by the Company, (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) from financial institutions / banks and others from time to time;
7. To open one or more separate current account(s) in such name and style as may be decided, with a scheduled bank to receive applications along with application monies in respect of the issue and/or sale of the shares of the Company;
8. To open one or more bank account of the Company such name and style as may be decided for the handling of refunds for the Issue;
9. To withdraw / change the authority to operate any of our Company's bank account;
10. To authorize Company Executives to represent our Company and sign and execute all the documents and papers related to the Central Government, State Government, local authority or any other authority in relation to the business of our Company;
11. To make any applications to the FIPB, RBI and such other authorities, as may be required, for the purpose of issue and/or sale of shares by the Company to non-resident investors including but not limited to NRIs, FIIs, FVCI's and other non-residents;

12. To make applications for listing of the Equity Shares of the Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
13. To settle all questions, difficulties or doubts that may arise in regard to the Issue or allotment of shares as it may, in its absolute discretion deem fit; and
14. To do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, or otherwise in relation to the Issue or any matter incidental or ancillary in relation to the Issue, including without limitation, allocation and allotment of the shares as permissible in law, issue of share certificates in accordance with the relevant rules.
15. To decide on filing recovery suits against distributors / dealers / customers and to authorise company's executives to prosecute the same.
16. To launch criminal proceedings against those misusing the company's rights under the design, patents, trade marks and copyright laws.
17. To authorize company's executives to defend civil suits filed by third parties against our Company.
18. Other general day-to-day affairs of our Company.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's shares on the Stock Exchanges. NSE and BSE,

Pravin N. Patil, Company Secretary and Compliance Officer, 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.

INTEREST AS TO PROPERTY

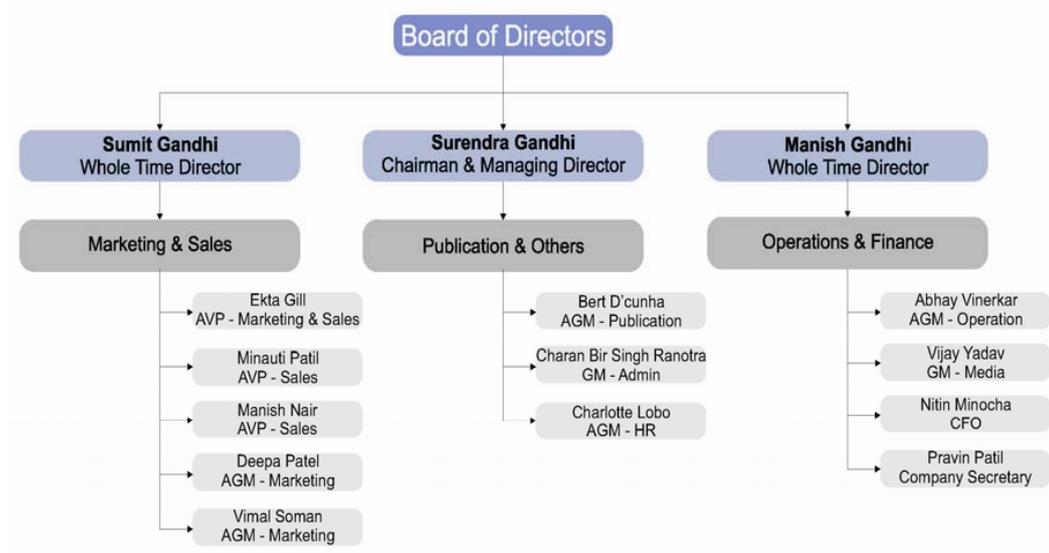
Except as stated/referred to in the chapter titled "*Business Overview*" under the paragraph "*Properties*" and chapter titled "*Our Promoters*" under the head "*Interest of Promoters*" beginning on pages 89 and 113 respectively of the Draft Red Herring Prospectus, our Directors do not have any interest:

- i. in the promotion of our Company; or
- ii. in any property acquired by our Company within two years from the date of the Draft Red Herring Prospectus, or proposed to be acquired by our Company.

UNSECURED LOANS

As on the date of filing of the Draft Red Herring Prospectus, Our Company has not taken any unsecured loans.

Management Organisation Structure



OUR KEY MANAGERIAL PERSONNEL (“KMP”)

Our key managerial personnel other than our Executive Directors are as follows:

The key managerial personnel of our Company other than our Executive Directors are as follows:

Key Managerial Personnel of our Company

| Name | Designation |
|--------------------------|--|
| Ekta Gill | Associate Vice President – Marketing and Sales |
| Minauti Patil | Associate Vice President – Sales |
| Manish Nair | Associate Vice President – Sales |
| Deepa Patel | Assistant General Manager – Marketing |
| Vimal Soman | Assistant General Manager – Marketing |
| Bert D’Cunha | Assistant General Manager – Publication |
| Charan Bir Singh Ranotra | General Manager – Administration |
| Charlotte Lobo | Assistant General Manager – Human Resource |
| Abhay Vinerkar | Assistant General Manager – Operations |
| Vijay Yadav | General Manager – Media |
| Nitin Minocha | Chief Financial Officer |
| Pravin N. Patil | Company Secretary |

Note:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- The key managerial personnel as disclosed above are not key managerial personnel as defined under Accounting Standard 18.

The details of our key managerial personnel are set out below:

Ekta Gill, aged 30 years is our Associate Vice President – Marketing and Sales. She holds a Bachelors’ Degree of Arts from Mumbai University. She has more than 9 years of experience in areas pertained to marketing and consultancy. Ekta Gill joined our Company on March 3, 2008, prior to which Ekta Gill was associated with British Airways (World Network Service) as Senior Customer Executive, e-Funds, In-bound International Call Centre as team captain, Siddhant Cinevision as executive producer and Anjali Mukerjee Health Total Private Limited as Manager, Business Development. As Associate Vice President - Marketing & Sales she is responsible for overall development, coordination and leadership of all of the sales and marketing activities along with client relationships and lead generations. For Fiscal 2009, the remuneration paid by us to Ekta Gill was Rs. 5,45,096.

Minauti Patil, aged 29 years is our Associate Vice President - Sales. She holds a Bachelors’ Degree in Arts from Ramnarain Ruia College and also a Bachelors’ Degree in Law from New Law College, University of Mumbai. Further Minauti Patil holds a Post Graduate Diploma in Career Counseling from the Institute for Psychotherapy and Management Sciences, Mumbai. She has experience of more than 7 years in overall management and administration and counseling. Minauti Patil joined our Company on August 27, 2007. Prior to which she worked with Growth Centre (I) Private Limited as Centre Head & Head (Administration) and Time Institute as Center Head & Head (Consulting and Marketing). As Associate Vice President-Sales, she is responsible for marketing and sales of capital goods (ACETECH), client relationships and lead generations. For Fiscal 2009, the remuneration paid by us to Minauti Patil was Rs. 4,55,554.

Manish Nair, aged 38 years is our Associate Vice President - Sales. Manish Nair holds a Bachelors’ Degree in Commerce from Mumbai University. He has experience of more than 12 years in areas of marketing and operation management. Manish Nair joined our Company on April 16, 2008 prior to which he has worked with various organizations such as Zee Interactive as Regional Sales Manager, Zenith Computers Limited as area sales manager, Micro Infotech as general manager and Silverline Industries Limited as Marketing executive. As an Associate Vice President- Sales he is responsible for marketing and sales process, developing and strengthening client relationships and lead generations. For Fiscal 2009, the remuneration paid by us to Manish Nair was Rs. 4,02,122.

Deepa Patel, 35 years is our Assistant General Manager – Marketing. She holds a Diploma in Travel & Tourism from IITC. She has more than 13 years experience in areas of business administration, marketing and client servicing. Deepa Patel joined our Company in August 2007 prior to which she was working with Oil Asia Journal one of our Promoter Group Entity as Manager (Admin & Client Service), Vijay Sales Corporation as Senior Executive (Admin) and Nanak Antena as Marketing Executive. As Assistant General Manager-Marketing, she is responsible for developing, executing sales and marketing strategies to promote the Company’s business. For Fiscal 2009, the remuneration paid by us to Deepa Patel was Rs. 55,145.

Vimal Soman, aged 25 years, is our Assistant General Manager – Marketing. She holds Bachelors’ Degree in Commerce from S.N.D.T. Woman’s University, Mumbai. Vimal Soman has over six years of professional experience. She joined our Company on July 29, 2009, prior to which she was associated with Motilal Oswal as remisier and ACA Info Tech as project manager outsourcing data. As Assistant General Manager- Marketing, she is responsible for marketing of capital goods (ACETECH), handling client relationships and client payments. For Fiscal 2009, the remuneration paid by us to Vimal Soman was Rs. 1,89,910.

Bert D’Cunha, aged 53 years, is our Assistant General Manager- Publication. Bert D’Cunha has completed a diploma course in travel and tourism from the Courses and Career Centre India and a training course for the use of Nuclear Testing Equipment from Troxler Electronic Laboratories Inc. He has more than 20 years of experience in area of publication. Bert. D’Cunha joined our Company on May 2, 2007 prior to which he was associated with various organisations including with Oil Asia Journal and Asian Business Exhibitions and Conferences, proprietary concerns of the Promoters of our Company as Corporate Affair/Event Manager. As Assistant General Manager - Publication of our Company, he is in charge of designing, marketing, publication of Trade Guide and Oil Asia magazine and activities pertaining to

publication work of company magazine and journals. For Fiscal 2009, the remuneration paid by us to Bert D'Cunha was Rs. 1,24,667.

Charan Bir Singh Ranotra, aged 46 years is our General Manager - Administration. He holds a Bachelors' Degree in Science from Garhwal University and further a Bachelors' Degree in Music from Prayag Sangeet Samiti, Allahabad. He has more than 15 years of experience in area of administration and finance. He joined our Company with effect from May 2, 2007, prior to which he was working with Oil Asia Journal and Asian Business Exhibitions and Conferences, proprietary concern of the Promoters of our Company. As General Manager- Administration, he is responsible for providing and controlling all administrative functions including account management and employee salary reports. For Fiscal 2009, the remuneration paid by us to Charan Bir Ranotra was Rs. 2,61,700.

Charlotte Lobo, aged 55 years, is our Assistant General Manager (Human Resource). She holds a Bachelors' Degree in Arts (Economics) from K.C. College, University of Mumbai. Charlotte Lobo has more than 23 years of experience in administrative areas. She has been associated with our Company since May 2, 2007. Prior to joining our Company, Charlotte Lobo was associated with Harsh Precious Metal Private Limited as Administration Manager and Selvel Printers & Stationers as Administration Officer. As Associate General Manager (Human Resource), Charlotte Lobo is responsible for Human Resource strategy and planning, Human Resource operations and training and development. For Fiscal 2009, the remuneration paid by us to Charlotte Lobo was Rs. 2,16,000.

Abhay Vinerkar, aged 32 years is our Assistant General Manager- Operations. He holds a diploma in Computer Software Engineering from BITS, Mumbai. He has more than 6 years of experience in areas of service delivery, recruitment and customer care. Abhay Vinerkar joined our Company on March 24, 2008. Prior to which he was associated with MeritTrac Services Private Limited as senior executive and Navinmail Private Limited as a team leader. As Assistant General Manager- Operations, he is responsible for entire operational management of the events and exhibitions. For Fiscal 2009, the remuneration paid by us to Abhay Vinerkar was Rs. 3,03,132.

Vijay Yadav, aged 33 years is our General Manager-Media. He holds a Bachelors' Degree in Commerce from R.D National College, Mumbai and a diploma in IT from Aptech Computer. Vijay Yadav has more than 7 years of experience in hardware and software maintenance. He joined our Company on May 2, 2007, prior to which he was associated with Popular Computers Education as faculty of Computer Hardware & Software Maintenance, Perfect Greenland Agro India Limited and P.P. Matharani Electricals. As General Manager (Media), he is responsible for matter related to media planning, buying and media reporting of Company's events. For Fiscal 2009, the remuneration paid by us to Vijay Yadav was Rs. 3,22,419.

Nitin Minocha, aged 37 years, is our Chief Financial Officer. He holds a Masters Degree in Business Administration from ICFAI Business School, Hyderabad. He has also earned a CFA from ICFAI University. He has over 15 years experience in areas related to research, sales and finance. Nitin Minocha joined our Company on September 19, 2009, prior to which he was associated with a number of organizations such as Kotak Securities as Manager, Offline Dealings, Unicon Securities Private Limited as Vice President, PCG Dealings, MF Global-Sify Securities Private Limited as head dealings, S Qube Financial Services Private Limited as head - sales and Systematix Shares & Stocks I Limited as Vice President, Equity Advisory. As Chief Financial Officer, he is in charge of handling accounts, framing of financial policies and financial affairs of the Company.

Pravin N. Patil, aged 27 years is our Company Secretary. He holds Associate Membership of the ICSI along with Masters Degree of Commerce from University of Mumbai and a Diploma in Co-operation & Accountancy (GDC&A). He has more than 3 years of experience in secretarial matters. Pravin N. Patil joined our Company on September 25, 2009, prior to which he was associated with Godrej Industries Limited as CS Trainee and M/s. M.G. Kalelkar & Associates as secretarial executive. As a Company Secretary he is responsible for all matters pertaining to secretarial practice of the Company.

SHAREHOLDING OF OUR KEY MANAGERIAL PERSONNEL

Except as set out in the table herein below, none of our key managerial personnel hold any Equity Shares in our Company as on date of the Draft Red Herring Prospectus.

| Name and designation | Number of Equity Shares | % of pre issue equity share capital |
|------------------------------|-------------------------|-------------------------------------|
| Mr. Charan Bir Singh Ranotra | 850 | 0.01 |

RELATION OF THE KEY MANAGERIAL PERSONNEL WITH OUR PROMOTERS/DIRECTORS

None of our key managerial personnel are “related” to the Promoters or Directors of our Company within the meaning of Section 6 of the Companies Act.

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.

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGEMENT PERSONNEL

The Company does not have any bonus or profit sharing plan of the Key Management Personnel.

INTEREST OF KMPs / PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY

Except as disclosed in this chapter none of our key managerial personnel have any interest in our Company and / or our Subsidiary other than to the extent of remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company. We have not paid /given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/give such benefit to any officer as on the date of the Draft Red Herring Prospectus.

CHANGES IN THE KEY MANAGEMENT PERSONNEL

Save and except as mentioned below, there had been no changes in Key Managerial Personnel of our Company that are not in the normal course of employment, during the last three (3) years:

| Name of the Key Management Person | Date of Appointment | Date of Resignation | Reason for Change |
|-----------------------------------|---------------------|---------------------|-------------------|
| Nitin Minocha | September 19, 2009 | - | Appointment |
| Ekta Gill | May 02, 2007 | - | Appointment |
| Minauti Patil | August 27, 2007 | - | Appointment |
| Manish Nair | April 16, 2008 | - | Appointment |
| Charan Bir Singh Ranotra | May 02, 2007 | - | Appointment |
| Vijay Yadav | May 02, 2007 | - | Appointment |
| Bert D’Cunha | May 02, 2007 | - | Appointment |
| Deepa Patel | August 01, 2008 | - | Appointment |
| Vimal Soman | July 29, 2009 | - | Appointment |
| Abhay Vinerkar | March 24, 2008 | - | Appointment |
| Charlotte Lobo | May 02, 2007 | - | Appointment |
| Pravin N. Patil | September 25, 2009 | - | Appointment |

OUR PROMOTERS

The Promoters of our Company are:

Surendra Mohan Singh Gandhi
Sumit Mohan Singh Gandhi
Manish Mohan Singh Gandhi

Details of our Promoters are as follows:

| | |
|---|---|
|  | <p>Surendra Mohan Singh Gandhi</p> <p>For details pertaining to his directorships, refer to the chapter titled “<i>Our Management</i>” beginning on page 105 of the Draft Red Herring Prospectus.</p> <p>Driving License No.:MH0294-16518 Voter ID No.: MT/08/039/0290005 Passport No.:F450723</p> |
|  | <p>Sumit Mohan Singh Gandhi</p> <p>For details pertaining to his directorships, refer to the chapter titled “<i>Our Management</i>” beginning on page 105 of the Draft Red Herring Prospectus.</p> <p>Driving License No.:MH02/93/39164 Voter ID No.: MT/08/039/288049 Passport No.:F1745115</p> |
|  | <p>Manish Mohan Singh Gandhi</p> <p>For details pertaining to his directorships, refer to the chapter titled “<i>Our Management</i>” beginning on page 105 of the Draft Red Herring Prospectus.</p> <p>Driving License No.:MH-02-96-6433 Voter ID No.: Not available Passport No.:B2603869</p> |

We confirm that the Permanent Account Number, bank account number and passport number of our Promoters will be submitted to Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

For details pertaining to other ventures of our Promoters refer chapter titled “*Promoter Group Entities*” beginning on page 178 of the Draft Red Herring Prospectus.

Common Pursuits

Our Promoters have promoted/ managed entities in the event management/organising industry in the past which includes Asian Business Exhibitions and Conferences and Indian Exhibitions & Conferences. We have entered into non-compete agreements or understanding with these entities. For further details, refer to the chapter titled “*History and Other Corporate Matters*” beginning on page 99 of the Draft Red Herring prospectus.

Interest of Promoters

Our Promoters do not have any interest:

- (i) in the promotion of our Company, save and except the rent received from our Company for using the properties as mentioned under the paragraph titled “*Properties*” beginning on page 89 of the Draft Red Herring Prospectus
- (ii) in any property acquired by our Company for a period of two years before filing the Draft Red Herring Prospectus with SEBI or proposed to be acquired our Company as on the date of filing the Draft Red Herring Prospectus with SEBI.

Further, save and except as stated otherwise in the chapters titled “*Business Overview*” and “*Our Management*” and the section titled ‘*Financial Statements*’ beginning on page 71, 105 and 128, respectively, of the Draft Red Herring Prospectus, and to the extent of Equity Shares held by them, our Promoters do not have any other interests in our Company as on the date of filing of the Draft Red Herring Prospectus with SEB.

Payment or Benefit to our Promoters

No payment has been made or benefit given to our Promoters in the two years preceding the date of the Draft Red Herring Prospectus except as mentioned/referred to in this chapter and in the chapter titled “*Our Management*” and in the section titled “*Financial Statements*” beginning on pages 105 and 128 respectively, of the Draft Red Herring Prospectus.

There is no bonus or profit sharing plan for our Promoters.

Related Party Transactions

For details on our related party transactions refer the paragraph titled “*Properties*” on page 89 in chapter titled “*Business Overview*” beginning on page 71, paragraph under the heading “*Interest of Directors*” on page 113 in the chapter titled “*Our Management*” beginning on page 105 and in the “*Annexure - XXII*” beginning on page 151 under the section titled “*Financial Statements*”, respectively, of the Draft Red Herring Prospectus.

OUR PROMOTER GROUP

Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations.

Our Promoters are Surendra Mohan Singh Gandhi, Sumit Mohan Singh Gandhi and Manish Mohan Singh Gandhi.

Our Promoter Group consists of:

A. Individuals related to our Promoters:

| Relationship with Promoters | Surendra Gandhi | Sumit Gandhi | Manish Gandhi |
|-----------------------------|---------------------------------|---------------------------------|--------------------------------|
| Father | Late S. Gurbaksh Singh Gandhi | Surendra Gandhi | Surendra Gandhi |
| Mother | Late Prakash Kaur | Satinder Pal Kaur | Satinder Pal Kaur |
| Spouse | Satinder Pal Kaur | Bulbeer Kaur | Mandeep Gandhi |
| Brother | Manmohan Singh Dr. T M Singh | Manish Gandhi | Sumit Gandhi |
| Sister | Late Ajit Kaur | --- | --- |
| Children | Sumit Gandhi Manish Gandhi | Abhishek Gandhi Aryan Gandhi | Eishita Gandhi Adith Gandhi |

B. Companies, proprietary concerns, HUF's related to our Promoters:

| Nature of Relationship | Entity |
|---|--|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | 1. New Media 29 Events Private Limited |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital | Nil |
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10% | <ol style="list-style-type: none"> 1. Asian Business Exhibitions and Conferences – Proprietary concern of Sumit Gandhi 2. Indian Exhibitions & Conferences – Proprietary concern of Manish Gandhi 3. Media Eleven – Proprietary concern of Satinder Pal Kaur 4. Oil Asia Journal – Proprietary concern of Surendra Gandhi 5. Oil Asia Journal (Symposium Division) – Proprietary concern of Surendra Mohan Singh Gandhi HUF 6. Surendra Mohan Singh Gandhi HUF – Karta Surendra Gandhi |

Further, none of our Promoters is a body corporate.

For further details on our Promoter Group refer chapter titled “Promoter Group Entities” beginning on page 178 of the Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial position. Our Company has no stated dividend policy.

Our Company has not declared any dividend since incorporation.

SECTION VI - FINANCIAL STATEMENTS

AUDITORS' REPORT AND FINANCIAL INFORMATION

AUDITORS' REPORT ON RESTATED STANDALONE FINANCIAL STATEMENTS

To,

The Board of Directors,
Asian Business Exhibition & Conferences Limited
530, Laxmi Plaza,
Laxmi Industrial Estate,
New Link Road,
Andheri (West),
Mumbai - 400053

Dear Sirs,

Sub : Proposed Initial Public Issue of Asian Business Exhibition & Conferences Limited

We have examined the standalone financial information of Asian Business Exhibition & Conferences Limited ("the Company") described below in A and B and annexed to this report for the purpose of inclusion in the offer document.

The standalone financial information has been prepared in accordance with the requirements of

- i. Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ("the Act"),
- ii. The Securities and Exchange Board of India ("SEBI") – (Issue of Capital and Disclosure Requirements) Regulation, 2009 (the "SEBI ICDR Regulations") notified on August 26, 2009 and as amended
- iii. The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ,
- iv. The terms of engagement agreed upon by us with the Company. The standalone financial information has been prepared by the Company and approved by its Board of Directors.

A. Standalone Financial Information as per Audited Standalone Financial Statements:

We have examined:

- a. The attached standalone restated statements of Assets and Liabilities as at September 30, 2009, March 31, 2009 and March 31, 2008 (Annexure - I);
- b. The attached standalone restated statements of Profit and Loss for the period ended September 30, 2009 and financial years ended March 31, 2009 and March 31, 2008 (Annexure - II);
- c. The attached standalone restated statements of Cash Flow for the period ended September 30, 2009 and financial years ended March 31, 2009 and March 31, 2008 (Annexure - III);

- d. The significant accounting policies adopted by the Company as at and for period ended September 30, 2009 and notes to the Standalone Restated Summary Statements (Annexure - IV);

-together referred to as the “Standalone Restated Summary Statements”.

The Standalone Restated Summary Statements have been extracted from audited standalone financial statements of the Company as at and for the period ended September 30, 2009 and years ended March 31, 2009 and March 31, 2008 which have been approved by the Board of Directors. The financial information is based on the accounts audited by us for the above-mentioned period. These Financial Statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these accounts based on the audit.

Based on our examination and in accordance with the requirements of the Act, SEBI ICDR Regulations and terms of engagement agreed by us with the Company we state that:

- i. The standalone restated assets and liabilities of the Company as at September 30, 2009, March 31, 2009 and March 31, 2008 are as set out in Annexure - I, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure - IV;
- ii. The standalone restated profits of the Company for the period ended September 30, 2009, March 31, 2009 and March 31, 2008 are as set out in Annexure - II, which have been arrived at after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure - IV;
- iii. The standalone restated cash flows of the Company for the period ended September 30, 2009, March 31, 2009 and March 31, 2008 are as set out in Annexure - III; which have been arrived at after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure - IV;
- iv. The Standalone Restated Summary Statements have been restated with retrospective effect to reflect the Significant Accounting Policies adopted by the Company as at September 30, 2009
- v. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year and there have been no change in the accounting policies of the company since inception.
- vi. We hereby confirm that there are no qualifications, quantitative or non-quantitative in nature, in the auditors’ report for period ended September 30, 2009, March 31, 2009 and March 31, 2008 except as mentioned in point no. III (4) & III (6) of Notes to Accounts under the ‘Statement of Significant Accounting Policies and Notes to the Standalone Restated Summary Statements’ Annexure - IV.
- vii. There are no extra-ordinary items, which need to be disclosed separately in the Standalone Restated Summary Statements except as mentioned in point no. III (16) of Notes to Accounts under the ‘Statement of Significant Accounting Policies and Notes to the Standalone Restated Summary Statements’ Annexure - IV.

B. Other Standalone Financial Information as per Audited Standalone Financial Statements:

We have also examined the following standalone financial information relating to the Company, which is based on the Standalone Restated Summary Statements / audited standalone financial statements and approved by the Board of Directors for the purpose of inclusion herein:

| | |
|---|------------------|
| a) Summary statement of Fixed Assets | Annexure - V |
| b) Summary statement of Investments | Annexure - VI |
| c) Summary statement of Receivables | Annexure - VII |
| d) Summary statement of Loan and Advances | Annexure - VIII |
| e) Summary statement of Other Current Assets | Annexure - IX |
| f) Summary statement of Secured Loans | Annexure - X |
| g) Summary statement of Share Capital | Annexure - XI |
| h) Summary statement of Reserves & Surplus | Annexure - XII |
| i) Reconciliation statement of Profit & Loss A/c after Restated Adjustments | Annexure - XIII |
| j) Summary statement of Income from operations | Annexure - XIV |
| k) Summary statement of Other Income | Annexure - XV |
| l) Summary statement of Cost of Operation | Annexure - XVI |
| m) Summary statement of Salary Expenses | Annexure - XVII |
| n) Summary statement of Administrative & Other Expenses | Annexure - XVIII |
| n) Summary of Accounting Ratios | Annexure - XIX |
| o) Capitalization Statement | Annexure - XX |
| p) Summary statement of Tax Shelters | Annexure - XXI |
| q) Related Party Transaction | Annexure - XXII |

In our opinion, the standalone financial information of the Company attached to this report, as mentioned in paragraph (B) above, read with significant accounting policies and notes as annexed to this report, and after making such adjustments as were considered appropriate, has been prepared in accordance with Part II (B) of Schedule II of the Act and the SEBI ICDR Regulations.

This report should not in any way be construed as a reissuance or redating of the previous audit report.

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

For **R. Sanghvi & Co.**
Chartered Accountants

Rajesh Sanghvi
Proprietor
Membership No.: 41744
Place: Mumbai
Date: January 25, 2010

ANNEXURE - I STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

| Particulars | <i>(Rs. in lacs)</i> | | |
|---|----------------------|----------------------|--------------------------|
| | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
| A) Fixed Assets | | | |
| Gross Block | 43.02 | 92.15 | 93.69 |
| Less: Accumulated depreciation / amortisation | (4.62) | (23.36) | (31.76) |
| Net Block | 38.41 | 68.79 | 61.93 |
| B) Investments | - | 0.00 | 27.20 |
| C) Current assets, loans and advances | | | |
| Receivables | 220.39 | 170.37 | 373.04 |
| Cash and bank balances / Book overdraft | (59.67) | 485.00 | 1,417.39 |
| Loans and advances | 472.85 | 1,039.63 | 1,324.42 |
| Other Current Assets | 301.82 | 135.57 | 13.05 |
| Total Current Assets, Loans & Advances | 935.39 | 1,830.57 | 3,127.91 |
| Total Assets (A+B+C) | 973.80 | 1,899.36 | 3,217.05 |
| D) Liabilities, Provisions and Loan funds: | | | |
| Secured loans | - | 26.36 | 22.76 |
| Deferred tax liability | 1.33 | 0.80 | 0.20 |
| Current liabilities & provisions | | | |
| Current Liabilities | 499.16 | 619.12 | 1,370.54 |
| Provisions | 135.26 | 418.81 | 608.77 |
| Total liabilities, provisions and loan funds | 635.75 | 1,065.09 | 2,002.27 |
| Net worth (A+B+C-D) | 338.05 | 834.27 | 1,214.78 |
| Net worth represented by Shareholder funds:- | | | |
| Equity Share capital | 100.00 | 100.00 | 850.00 |
| Reserve & surplus | 239.92 | 735.93 | 366.34 |
| Less:- Miscellaneous expenditure not written off | (1.88) | (1.67) | (1.56) |
| Net Worth | 338.05 | 834.27 | 1,214.78 |

**ANNEXURE - II STANDALONE SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT,
AS RESTATED**

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|--|--|--|--|
| INCOME | | | |
| Income from operations | 2,748.81 | 4,514.35 | 1,493.10 |
| Other income | 7.98 | 49.93 | 24.02 |
| Total income | 2,756.79 | 4,564.28 | 1,517.12 |
| EXPENDITURE | | | |
| Cost of operations | 2,048.55 | 3,150.75 | 660.24 |
| Salary expenses | 211.41 | 281.94 | 172.07 |
| Administrative and other expenses | 115.52 | 177.35 | 98.33 |
| Interest & finance charges | 5.98 | 17.19 | 1.69 |
| Miscellaneous expenditure written off | 0.21 | 0.21 | 0.10 |
| Depreciation / amortisation | 4.62 | 19.31 | 8.40 |
| Total expenditure | 2,386.28 | 3,646.75 | 940.83 |
| Profit before tax, extraordinary and prior period items | 370.51 | 917.53 | 576.29 |
| Extraordinary Losses | - | (152.26) | - |
| Profit before tax | 370.51 | 765.27 | 576.29 |
| Provision for taxation | | | |
| - Income tax | 126.66 | 265.91 | 196.49 |
| - Deferred tax liability (assets) | 1.33 | (0.53) | (0.60) |
| - Fringe benefit tax | 2.60 | 3.89 | - |
| Restated Net Profit After Tax | 239.92 | 496.01 | 380.41 |
| Balance brought forward from last year | - | 239.92 | 735.93 |
| Appropriations | | | |
| Issue of Bonus shares | - | - | (750.00) |
| Balance carried over to balance sheet | 239.92 | 735.93 | 366.34 |

ANNEXURE-III STANDALONE SUMMARY STATEMENT OF CASH FLOW, AS RESTATED

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|---|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit before tax and extra ordinary items, as restated | 370.51 | 917.53 | 576.29 |
| Add: | | | |
| Depreciation / amortisation | 4.62 | 19.31 | 8.40 |
| Miscellaneous expenditure written off | 0.21 | 0.21 | 0.10 |
| Loss on disposal of fixed assets | - | 1.49 | - |
| Loss on Extraordinary items | - | (152.26) | - |
| Interest income | - | (38.80) | (21.73) |
| Interest expenses | - | 3.41 | 2.22 |
| Operating profit before working capital changes | 375.34 | 750.89 | 565.29 |
| Adjustment for changes in Working Capital : | | | |
| Decrease/(increase) in Receivables | (220.39) | 50.02 | (202.67) |
| Decrease/(increase) in loan & advances | (662.93) | (228.40) | 50.43 |
| Increase/(decrease) in sundry creditors & other liabilities | 505.16 | 127.07 | 751.01 |
| Miscellaneous expenditure incurred | (2.08) | - | - |
| Cash Generated from Operations | (4.91) | 699.58 | 1,164.06 |
| Less : Direct tax paid | (111.74) | (172.13) | (219.72) |
| Net cash from/(used in) operating activities (A) | (116.65) | 527.45 | 944.34 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of fixed assets | (43.02) | (53.18) | (1.55) |
| Sale of fixed assets | - | 2.00 | - |
| Purchase of investments | - | (0.00) | (27.20) |
| Interest received | - | 38.80 | 21.73 |
| Net Cash from/(used in) investing activities (B) | (43.02) | (12.38) | (7.02) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds from issuance of shares | 100.00 | - | - |
| Proceeds from secured borrowings | - | 37.80 | - |
| Repayment of borrowings | - | (4.79) | (3.23) |
| Interest expenses | - | (3.41) | (1.69) |
| Net Cash from/(used in) financing activities (C) | 100.00 | 29.60 | (4.92) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (59.67) | 544.67 | 932.39 |
| Opening cash and cash equivalents | - | (59.67) | 485.00 |
| Closing cash and cash equivalents | (59.67) | 485.00 | 1,417.39 |
| Components of closing cash & cash equivalents | | | |
| Cash in hand | 6.23 | 67.92 | 69.38 |
| Balance with scheduled bank / Book Overdraft | (65.90) | 417.08 | 1,348.02 |

**ANNEXURE - IV STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO
THE STANDALONE RESTATED SUMMARY STATEMENTS**

I.

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountant of India (ICAI) and the provisions of the Companies Act, 1956.

(b) Use of estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statement and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

II. Significant Accounting Policies

(a) Revenue recognition:

Income from Exhibition and Events: The Company recognizes its revenue from sale of stall space in exhibition and events. Sale of stall space is also achieved through media insertions in publications. Both these revenues are recognized on accrual basis on completion of event.

Sponsorship income: Additional revenue generated during exhibitions by prominently displaying / associating, names of certain exhibitors in signages, hoardings, banners, flags, etc. during the exhibition for promoting their brands. This income is accounted on accrual basis on completion of the event.

Income from Delegate fees: The said income is earned from delegates attending conferences / events.

Income from entry charges: For certain events entry fees has been charged from certain visitors for visiting exhibitions. It is accounted upon actual receipt of amounts at the exhibition.

(b) Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation. Cost comprises purchase price, duties, levies and any other costs relating to the acquisition and installation of the assets. The gross block of fixed assets is stated at cost of acquisition, including any cost attributable to bringing the assets to their working condition for their intended use. Interest and financing charges on borrowed funds, if any, used to finance the acquisition of fixed assets, till the date the assets are ready for use, are capitalized and included in the cost of the asset.

(c) Depreciation:

Fixed Assets are depreciated under the 'Written Down Value Method' at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions / deletions during the year on the assets.

(d) Intangible Assets:

In accordance with Accounting Standard 26 on Intangible Assets, expenditure on 'Acquisition of Trade Marks' have been amortized over a period of ten years on pro rata basis, based on the Managements estimates of the estimated useful life of the said intangibles on a straight-line basis.

(e) Investments:

In accordance with Accounting Standard 13, Long Term Investments are recorded as long term investments unless they are expected to be sold within one year. Investments in subsidiaries are valued at cost less any provision for impairment.

(f) Foreign Currency Transactions:

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on actual realization has been adjusted to the Profit and Loss Account accordingly.

(g) Impairment of Assets:

As on the Balance sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the Company shall estimate the recoverable amount of the group of assets as a whole, to determine the value of impairment.

(h) Provisions and contingencies:

Provisions are recognized when there is present legal or constructive obligation as a result of a past event and it is more likely than not that an outflow of resources will be required to settle the obligation. Provisions are measured at the management's best estimate of the outflow required to settle the obligations at the Balance Sheet date.

(i) Taxes on income:

Income tax expense comprises of current income tax, deferred tax and fringe benefits tax.

Current taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961, and is made at the end of each reporting period based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in the future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

Fringe Benefits tax

Provision for fringe benefits tax has been recognized on the basis of interpretations of the relevant provisions of the Income Tax Act, 1961.

(j) Earnings per share(EPS) :

Basic EPS is calculated as under:

$$\text{Basic Earnings Per Share:} \quad \frac{\text{Net Profit/(Loss) for the period attributable to equity shareholder}}{\text{Weighted average number of equity shares outstanding during the period}}$$

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of equity shares outstanding during the period, as adjusted for the issuance of any bonus shares.

(k) Cash and cash equivalents: Cash and cash equivalents for the purpose of the statement of cash flow comprise cash at bank and cash in hand and short term fixed deposits.

(l) Miscellaneous expenditure: As per management policy followed by the company, preliminary expenses are written off to the extent of 1/10th every year.

III. Notes to Accounts:

1. Asian Business Exhibition & Conferences Limited is a public limited company, incorporated on 10th April 2007, registered with the Registrar of Companies, Mumbai.
2. Balances of certain receivables, advance from customers, advance to parties and creditors are subject to confirmation / reconciliation and subsequent adjustment, if any. The management however does not expect any material variance.
3. Current assets, loans & advances are approximately of the value stated and realizable in the ordinary course of business, and provisions for all known liabilities have been made.
4. For Period ended: March 31, 2008: *“In our opinion, the Company did not have an internal audit system commensurate with the size and nature of its business.”*
5. However, the Company has strengthened the internal audit controls and procedures and now has an internal audit system commensurate with the size and nature of its business.
6. For Period ended: March 31, 2009: *“Payments of service tax were delayed due to technical reasons and delays in getting professional opinion. According to information and explanation given to us, there was no undisputed amounts payable, other than service tax, on account of the above dues outstanding as on March 31,2009 , for a period of more than six months from the date they become payable, subject to Income-tax which is to be paid at the time of filing the returns.”*
7. The Company’s business activities fall within a single segment, viz. Income from Exhibitions and Events and operate only in domestic market. Hence segment reporting as defined in Accounting Standard (AS-17) is not given.
8. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
9. Previous year figures have been regrouped or re-arranged wherever considered necessary to make them comparable with those of the current year.

10. Appropriate adjustments by way of reclassification of corresponding items of assets, liabilities, income and expenses have been made wherever required, in the restated summary statements of the Company, to bring them in line with the groupings as per the restated summary statements as at and for the period ended March 31, 2008, March 31, 2009 and September 30, 2009.

11. Since the company is not into trading & manufacturing business, quantitative data is not applicable to the company.

12. Purchase of Equity Shares:

For Period ended: September 30, 2009

During the period under review, the Company has acquired entire 10,000 equity shares of the face value of Rs. 10 each at Rs. 272 each aggregating to Rs. 27.20 lacs of Oil Asia Publication Private Limited from Mr. Surendra Gandhi, Mr. Sumit Gandhi, Mr. Manish Gandhi and Mrs. Satinder Pal Kaur, thereby Oil Asia Publication Private Limited is now a 100% subsidiary of Asian Business Exhibition & Conferences Limited with effect from April 1, 2009.

13. Issue of Bonus Equity Shares :

For Period ended: September 30 2009

During the period under review, the Company issued bonus equity shares on September 26, 2009 in the ratio of 7.5 shares for every one share held by existing share holders of the face value of Rs. 10 each aggregating to Rs.750 lacs by debiting the Profit & Loss account.

14. Contingent Liabilities :

(Rs. in lacs)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|---|----------------------|----------------------|--|
| Entertainment Tax (Subjudice Matter) | - | 6.28 | 6.28 |
| Claims against the company not considered as debts (Subjudice Matter) | - | 14.82 | 16.91 |

15. The Company is in the process of acquiring immovable property and towards this purpose, it has paid the following amounts as mentioned below:

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at six months ended on September 30, 2009 |
|--|----------------------|----------------------|--|
| Balance payable for Immovable Property | 173.69 | 152.30 | 149.08 |

16. During the year ended March 31, 2009 the company has incurred losses of Rs. 152.26 lacs on account of dealing in equity derivative products and the same have been accounted for separately as extraordinary losses.

17. Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction :

(Rs. in lacs)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|---|----------------------|----------------------|--|
| Exchange Rate Difference debited to Profit & Loss a/c | Nil | 0.33 | 0.01 |

18. Payment to Directors :

a. Remuneration to Managing Director and Whole Time Directors is approved by the members' and is within the limits prescribed in Schedule XIII to the Companies Act, 1956.

(Rs. in lacs)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|-----------------------|----------------------|----------------------|--|
| Salary and Allowances | 36.25 | 53.11 | 26.00 |
| Commission | - | - | - |
| Perquisites | 4.83 | 5.99 | - |
| Total | 41.08 | 59.10 | 26.00 |

b. The Computation of net profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to the Managing Director is as under:

(Rs. in lacs)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|--|----------------------|----------------------|--|
| Profit before Tax as per Profit and Loss account | 370.51 | 765.27 | 576.29 |
| Add: Managerial Remuneration | 41.08 | 59.10 | 26.00 |
| Depreciation as per profit and loss account | 4.62 | 19.31 | 8.4 |
| Loss on sale of fixed assets | - | 1.48 | - |
| Total | 416.21 | 845.16 | 610.99 |
| Less : Depreciation u/s 350 | 4.62 | 19.31 | 8.4 |
| Net Profit for Section 198 | 411.59 | 825.85 | 602.29 |
| Maximum permissible managerial remuneration to Managing Director and Whole Time Directors under Section 198 of the Companies Act, 1956 @ 10% of the profits computed above | 41.16 | 82.59 | 60.23 |

19. Payment to Auditors :

(Rs. in lacs)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|----------------------------|----------------------|----------------------|--|
| For Statutory Audit Fees * | 2.50 | 2.60 | 1.30 |
| Tax Audit Fees* | 1.00 | 1.00 | Nil |
| Total | 3.50 | 3.60 | Nil |

* Excluding Service Tax

20. **Deferred tax balances:** The components of deferred tax liability and assets arising on account of timing differences between taxable income and accounting income are as follows :

| Particulars | <i>(Rs. in lacs)</i> | | |
|--|-------------------------|-------------------------|---|
| | As at March 31, 2008 | As at March 31, 2009 | As at six months ended on September 30, 2009 |
| Opening Deferred Tax Liability / (Assets) | Nil | 1.33 | 0.80 |
| Liability / (Assets) due to difference in tax depreciation and book depreciation | 1.27 | -0.61 | -0.64 |
| Liability / (Assets) due to disallowance u/s 35D Income Tax Act, 1961. | 0.07 | 0.07 | 0.04 |
| Liability / (Assets) due to other adjustments | (0.01) | 0.01 | - |
| Closing Deferred Tax Liability / (Assets) | 1.33 | 0.80 | 0.20 |

21. **Notes to adjustment & regrouping in Restated Standalone Summary Statement :**

- In the financial statements for the year ended March 31, 2009 profession tax has been identified as prior period items. For the purpose of this statement, such prior period items have been appropriately adjusted to the respective years to which they relate.
- Interest on income tax has been calculated in accordance with section 234 A, 234 B & 234 C of Income Tax Act, 1961 for the year ended March 31, 2008 & March 31, 2009 and have been appropriately adjusted to the respective years to which they relate.
- Interest on FBT for the year ended March 31, 2008 & March 31, 2009 was paid and same have been appropriately adjusted to the respective years to which they relate.
- The company has decided to amortize trademark over the period of 10 year during period ended March 31, 2009. However during the period ended March 31, 2008 trademark was not amortized. Appropriate adjustments are made in respective years by amortizing trademark with retrospective effect.
- Results of restatement made in the audited financial statement of the Company for the respective years and their impact on the profits/losses of the Company is as under:

For further details, refer Annexure – XIII - Reconciliation statement of Profit & Loss A/c after Restated Adjustments, herein under.

**ANNEXURE - V STANDALONE SUMMARY STATEMENTS OF FIXED ASSETS, AS
RESTATED**

(Rs. in lacs)

| As at March 31, 2008 | | | | | | | |
|----------------------|-----------------|---------------------------|----------------------|--------------|--------------|--------------------------|--------------|
| Particular of assets | Opening Balance | Additions during the year | Sold during the Year | Gross Block | For the Year | Accumulated Depreciation | Net Block |
| Office equipments | - | 10.87 | - | 10.87 | 0.85 | 0.85 | 10.02 |
| Motor vehicles | - | 4.05 | - | 4.05 | 0.02 | 0.02 | 4.03 |
| Furniture & Fixtures | - | 11.48 | - | 11.48 | 0.92 | 0.92 | 10.56 |
| Computers | - | 12.73 | - | 12.73 | 2.43 | 2.43 | 10.29 |
| Trademarks | - | 3.90 | - | 3.90 | 0.39 | 0.39 | 3.51 |
| Total | | 43.02 | | 43.02 | 4.62 | 4.62 | 38.41 |

(Rs. in lacs)

| As at March 31, 2009 | | | | | | | |
|----------------------|-----------------|---------------------------|----------------------|--------------|--------------|--------------------------|--------------|
| Particular of assets | Opening Balance | Additions during the year | Sold during the Year | Gross Block | For the Year | Accumulated Depreciation | Net Block |
| Office equipments | 10.87 | 0.85 | - | 11.72 | 1.44 | 2.29 | 9.44 |
| Motor vehicles | 4.05 | 43.49 | 4.05 | 43.49 | 9.36 | 9.38 | 34.11 |
| Furniture & Fixtures | 11.48 | 1.25 | - | 12.74 | 1.94 | 2.87 | 9.87 |
| Computers | 12.73 | 5.15 | - | 17.88 | 5.38 | 7.81 | 10.07 |
| Trademarks | 3.90 | 2.43 | - | 6.32 | 0.63 | 1.02 | 5.30 |
| Total | 43.02 | 53.18 | 4.05 | 92.15 | 18.75 | 23.36 | 68.79 |

(Rs. in lacs)

| As at September 30, 2009 | | | | | | | |
|--------------------------|-----------------|---------------------------|----------------------|--------------|--------------|--------------------------|--------------|
| Particular of assets | Opening Balance | Additions during the year | Sold during the Year | Gross Block | For the Year | Accumulated Depreciation | Net Block |
| Office equipments | 11.72 | 1.14 | - | 12.86 | 0.71 | 2.99 | 9.87 |
| Motor vehicles | 43.49 | - | - | 43.49 | 4.43 | 13.81 | 29.69 |
| Furniture & Fixtures | 12.74 | - | - | 12.74 | 0.90 | 3.76 | 8.97 |
| Computers | 17.88 | 0.41 | - | 18.29 | 2.08 | 9.89 | 8.39 |
| Trademarks | 6.32 | - | - | 6.32 | 0.29 | 1.31 | 5.01 |
| Total | 92.15 | 1.55 | - | 93.69 | 8.40 | 31.76 | 61.93 |

ANNEXURE - VI STANDALONE SUMMARY STATEMENTS OF INVESTMENTS, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|---|-----------------------------|-----------------------------|---------------------------------|
| Investment in unquoted shares | | | |
| Shares of Kapol Bank (30 Equity Shares of Rs. 10 each) | - | 0.00 | 0.00 |
| In 100% Subsidiary | | | |
| Shares of Oil Asia Publication Private Ltd (10,000 shares of face value Rs. 10 each) | - | - | 27.20 |
| Total of investment in unquoted share | - | 0.00 | 27.20 |

ANNEXURE - VII STANDALONE SUMMARY STATEMENT OF RECEIVABLES, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|---|-----------------------------|-----------------------------|---------------------------------|
| Debts outstanding for the period less than 6 months | 215.28 | 84.10 | 333.42 |
| Debts outstanding for the period more than 6 months | 5.11 | 86.27 | 39.62 |
| Total | 220.39 | 170.37 | 373.04 |

Details of receivables from related parties as included in above annexure:

(Rs. in lacs)

| Name of the Entity | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|----------------------------------|-----------------------------|-----------------------------|---------------------------------|
| Due from subsidiary | | | |
| Oil Asia Publication Private Ltd | - | 4.15 | - |
| Total | - | 4.15 | - |

Except as provided above, there are no other sundry debtors who are related to the directors, promoters, group companies or the company for the aforementioned years.

ANNEXURE - VIII STANDALONE SUMMARY STATEMENT OF LOAN AND ADVANCES, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|---|-----------------------------|-----------------------------|---------------------------------|
| Unsecured, considered good | | | |
| Advances recoverable in cash or in kind or for value to be received | 69.58 | 30.20 | 4.44 |
| Advance - (suppliers , contractors , real estate, etc) | 291.53 | 579.36 | 758.91 |
| Deposits (Rental) | - | 146.20 | 64.49 |
| Advance tax and tax deducted at source | 111.74 | 283.87 | 496.58 |
| Total | 472.85 | 1,039.63 | 1,324.42 |

Details of amounts given to related parties as included in above annexure:

(Rs. in lacs)

| Name of Entity | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|--------------------------------------|-----------------------------|-----------------------------|---------------------------------|
| Deposits (Rental) | | | |
| Sumit Gandhi | - | 15.00 | 15.00 |
| Surendra Gandhi | - | 15.00 | 15.00 |
| Manish Gandhi | - | 15.00 | 20.00 |
| New Media 29 Events Private Limited | - | 100.00 | - |
| Advance to Supplier | | | |
| Oil Asia Publication Private Limited | - | 0.95 | - |
| Total | - | 145.95 | 50.00 |

Except as provided above, there are no loans and advances due from directors, promoters, group companies or the company for the aforementioned years.

ANNEXURE - IX STANDALONE SUMMARY STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|--------------------|-----------------------------|-----------------------------|---------------------------------|
| Business Transfer | 301.82 | 125.51 | - |
| Interest Accrued | - | 10.06 | 13.05 |
| Total | 301.82 | 135.57 | 13.05 |

(Rs. in lacs)

| Name of Entity | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|--|-------------------------|-------------------------|--------------------------------|
| Business Transfer | | | |
| Indian Exhibition Conferences - (Proprietor-Manish Gandhi) | 166.11 | 53.76 | - |
| Asian Business Exhibitions & Conferences - (Proprietor-Sumit Gandhi) | 40.36 | - | - |
| Media Eleven - (Proprietor-Satinder Pal Kaur) | 95.35 | 71.75 | - |
| Total | 301.82 | 125.51 | - |

Except as provided above, there are no other current assets due from directors, promoters, group companies or the company for the aforementioned years.

ANNEXURE - X STANDALONE SUMMARY STATEMENTS OF SECURED LOAN, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|-----------------|-------------------------|-------------------------|-----------------------------|
| Vehicle loan ** | - | 26.36 | 22.76 |
| Total | - | 26.36 | 22.76 |

(Rs. in lacs)

| Name of Bank | Amount outstanding (including related current liability) | | | |
|---------------------------|--|--------------------------------|------------------------------------|---------------------|
| | As at March 31, 2009 | As at September 30, 2009 | Installment amount per month | Rate of Interest |
| ICICI Bank (Vehicle Loan) | 33.01 | 29.77 | 0.82 | 11.32% |

**An amount of Rs 6.65 lacs and Rs. 7.01 lacs which are due in the immediate coming 12 months as on March 31, 2009 and September 30, 2009, respectively have been transferred to current liabilities.

*Vehicle is hypothecated to ICICI Bank Ltd.

There are no secured loans taken from the directors, promoters, promoters group, group companies or associated companies for the aforementioned years.

ANNEXURE - XI SUMMARY STATEMENTS OF SHARE CAPITAL, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|---|-------------------------|-------------------------|-----------------------------|
| Authorised equity share capital of Rs. 10 each | 100.00 | 100.00 | 2,500.00 |
| Issued, subscribed and paid up equity share capital share of Rs. 10 each fully paid * | 100.00 | 100.00 | 850.00 |
| Total | 100.00 | 100.00 | 850.00 |
| Number of Equity Shares | 1,000,000 | 1,000,000 | 8,500,000 |

*Out of which 75,00,000 equity shares have been issued as fully paid up as Bonus Shares on September 26, 2009.

ANNEXURE - XII STANDALONE SUMMARY STATEMENTS OF RESERVE & SURPLUS, AS RESTATED

(Rs. in lacs)

| Particulars | As at March 31, 2008 | As at March 31, 2009 | As at September 30, 2009 |
|----------------------------------|-------------------------|-------------------------|-----------------------------|
| Profit & Loss Account | | | |
| Opening balance b/f | - | 239.92 | 735.93 |
| Add: Profit for the year | 239.92 | 496.01 | 380.41 |
| Less : Bonus shares issued | - | - | (750.00) |
| Total | 239.92 | 735.93 | 366.34 |

ANNEXURE - XIII RECONCILIATION STATEMENT OF PROFIT & LOSS A/C AFTER RESTATED ADJUSTMENTS

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|---|---------------------------------|---------------------------------|--|
| Net Profit after tax as per audited financials | 250.24 | 506.25 | 379.82 |
| Restatement adjustments | | | |
| Amortization of TradeMark | (0.39) | - | - |
| Prior Period (Profession Tax) | (0.03) | 0.03 | - |
| Deferred Tax (Liability) / Asset | (1.34) | 0.93 | 0.05 |
| Interest on Income Tax | (5.74) | (13.49) | - |
| Interest on FBT | (0.24) | (0.29) | 0.53 |
| FBT | (2.60) | 2.60 | - |
| Restated Net Profit After Tax | 239.92 | 496.01 | 380.41 |

ANNEXURE - XIV STANDALONE SUMMARY STATEMENTS OF INCOME FROM OPERATIONS, AS RESTATED

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|------------------------------|--------------------------------------|--------------------------------------|--|
| Direct Income | | | |
| Exhibition & Events | 2,748.81 | 4,482.62 | 1,436.46 |
| Delegate Fees | - | 5.34 | 0.07 |
| Sponsorships | - | 26.39 | 7.55 |
| Entry Fees | - | - | 49.02 |
| Total - Direct Income | 2,748.81 | 4,514.35 | 1,493.10 |

ANNEXURE - XV STANDALONE SUMMARY STATEMENT OF OTHER INCOME, AS RESTATED

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 | Nature (Recurring / Non - Recurring) | Related / Non related to business |
|--|----------------------------------|----------------------------------|--|---|--|
| Stall Designing | - | - | 0.52 | Recurring | Related |
| Interest on Fixed Deposits | - | 38.80 | 17.89 | Recurring | Non – Related |
| Other Income | 7.98 | 11.13 | 5.61 | Recurring | Related |
| Total | 7.98 | 49.93 | 24.02 | | |
| % of other income to Profit before tax (PBT) | 2.15% | 6.52% | 4.17% | | |

ANNEXURE - XVI STANDALONE SUMMARY STATEMENTS OF COST OF OPERATION, AS RESTATED

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|--------------------------|----------------------------------|----------------------------------|--|
| Exhibition Expenses | 447.60 | 739.73 | 171.91 |
| Media Insertion Expenses | 524.48 | 639.46 | 198.88 |
| Traveling Expenses | 17.79 | 36.11 | 18.23 |
| Venue Rental Charges | 726.35 | 1,065.95 | 188.53 |
| Other Direct Expenses | 332.33 | 669.50 | 82.69 |
| Total | 2,048.55 | 3,150.75 | 660.24 |

ANNEXURE - XVII STANDALONE SUMMARY STATEMENTS OF SALARY EXPENSES, AS RESTATED

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|--|----------------------------------|----------------------------------|--|
| Directors Remuneration and perquisites | 41.08 | 59.10 | 26.00 |
| Salaries , Wages & other benefits to Staff | 170.32 | 222.85 | 146.07 |
| Total | 211.41 | 281.94 | 172.07 |

**ANNEXURE - XVIII STANDALONE SUMMARY STATEMENT OF ADMINISTRATIVE &
OTHER EXPENSES, AS RESTATED**

(Rs. in lacs)

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|------------------------------------|--|--------------------------------------|--|
| Business Promotion Expenses | 7.17 | 10.21 | 8.27 |
| Car Hire Charges | 3.34 | 4.63 | 3.42 |
| Communication Expenses | 8.03 | 12.73 | 6.79 |
| Courier Charges | 16.65 | 43.43 | 18.31 |
| Loss on sale of Motor Car | - | 1.49 | - |
| Electricity Charges | 5.47 | 7.64 | 3.97 |
| Motor Car Expenses | 10.16 | 10.98 | 4.17 |
| Professional / Consultancy Charges | 10.56 | 13.05 | 16.62 |
| Rent, Rates & Taxes | 26.95 | 37.71 | 15.11 |
| Repairs & Maintenance | 3.87 | 4.38 | 1.41 |
| Other Expenses | 23.30 | 31.09 | 20.27 |
| Total | 115.52 | 177.35 | 98.33 |

ANNEXURE -XIX STANDALONE SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

(Rs. in lac, except per share data)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|---|-------------------------|-------------------------|--|
| Weighted average number of equity shares of Rs. 10/- each | | | |
| i) Number of shares at the beginning of the year | 10,00,000 | 10,00,000 | 10,00,000 |
| ii) Number of shares at the end of the year | 10,00,000 | 10,00,000 | 85,00,000 |
| iii) Weighted average number of outstanding equity shares used for calculating basic and diluted earning per share. As adjusted for the bonus shares issued on September 26, 2009 with retrospective effect | 85,00,000 | 85,00,000 | 85,00,000 |
| iv) Net Worth | 338.05 | 834.27 | 1,214.78 |
| Net asset value per share | 33.80 | 83.43 | 14.29 |
| Restated Net Profit After Tax before extraordinary items | 239.92 | 648.27 | 380.41 |
| 1. Basic and diluted earning per share (EPS) | 2.82 | 7.63 | 4.48 |
| 2. Return on net worth (%) | 70.97% | 77.70% | 31.31% |
| Restated Net Profit After Tax after extraordinary items (Rs.) | 239.92 | 496.01 | 380.41 |
| 1. Basic and diluted earning per share (EPS) | 2.82 | 5.84 | 4.48 |
| 2. Return on net worth (%) | 70.97% | 59.45% | 31.31% |

$$\text{Earning per share (Basic and Diluted)} = \frac{\text{Restated Net Profit After Tax}^*}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Restated Net Profit After Tax}^*}{\text{Net Worth at the end of the year}}$$

$$\text{Net asset value} = \frac{\text{Net Worth at the end of the year}}{\text{Actual number of equity shares outstanding at end of the year}}$$

*Restated Net Profit After Tax is calculated before & after extraordinary items

ANNEXURE - XX CAPITALISATION STATEMENT, AS RESTATED

(Rs. in lacs)

| Particulars | Pre-issue as at September 30, 2009 | As Adjusted for the issue |
|--|---------------------------------------|---------------------------|
| Borrowing | | |
| Short term Debt | 7.01 | [•] |
| Long term Debt | 22.76 | [•] |
| Total Debts | 29.77 | [•] |
| Shareholder's fund | | |
| Equity share capital | 850.00 | [•] |
| Reserve & surplus | 366.34 | [•] |
| Less:- Miscellaneous expenditure not written off | 1.56 | [•] |
| Total shareholder's fund | 1,214.78 | [•] |
| Long-term debt/equity ratio | 0.02: 1 | [•] |
| Total debt to equity ratio | 0.02: 1 | [•] |

- 1 Short term debts represent debts which are due within twelve months from September 30, 2009.
- 2 Long term debts represent debts other than short term debts, as defined above.
- 3 The figures disclosed above are based on the Standalone Restated Summary Statement of Assets and Liabilities of the Company as at September 30, 2009.
- 4 Long Term debt to Equity = Long Term Debts / Shareholders' Funds
- 5 Total debt to equity ratio = Total Debt / Shareholders' Funds
- 6 The corresponding post issue figures are not determinable at this stage and will be mentioned after the Issue.
- 7 Equity share capital of the Company has been increased from Rs. 100 Lacs to Rs. 850 Lacs by way of issuing 75,00,000 bonus shares of Rs. 10 each in ratio of 7.5 equity shares for every 1 Equity Share held vide board resolution dated September 26, 2009

ANNEXURE - XXI: STANDALONE SUMMARY STATEMENT OF TAX SHELTERS, AS RESTATED

(Rs. in lacs)

| Particulars | As on March 31, 2008 | As on March 31, 2009 | Six months ended on September 30, 2009 |
|--|---------------------------------|---------------------------------|---|
| Net Profit before tax as restated | 370.51 | 765.27 | 576.29 |
| Tax rate (%) | 33.99% | 33.99% | 33.99% |
| Tax as per Net Profit before tax as restated (A) | 125.94 | 260.12 | 195.88 |
| Adjustments: | | | |
| Permanent differences | | | |
| Loss on sale of car | - | (1.49) | - |
| Charity and donations | (0.08) | (0.20) | (0.01) |
| Interest on FBT | (0.24) | (0.29) | - |
| Interest on Income Tax | (5.74) | (13.49) | - |
| Total permanent difference | (6.06) | (15.47) | (0.01) |
| Tax effect from permanent difference (B) | (2.06) | (5.26) | (0.00) |
| Timing difference | | | |
| Difference between tax depreciation and book depreciation | 3.74 | (1.80) | (1.88) |
| Difference u/s 35 D Income Tax Act, 1961 | 0.21 | 0.21 | 0.10 |
| Other Adjustments | (0.03) | 0.03 | - |
| Total timing difference | 3.92 | (1.57) | (1.77) |
| Tax effect from timing difference (C) | 1.33 | (0.53) | (0.60) |
| Total adjustments (B+C) =D | (0.73) | (5.79) | (0.60) |
| Tax payable for the year (A-D) | 126.66 | 265.91 | 196.49 |
| Current tax as per return | 126.66 | 265.91 | - |
| Interest under section 234B and 234C of the Income Tax Act, 1961 | 5.74 | 13.44 | - |
| Total tax as per return | 132.40 | 279.34 | - |

Note: The above statement has been prepared as per the income tax computation filed with Income tax authorities for the year ended March 31, 2008 and March 31, 2009 and the figures for the six month ended September 30, 2009 are based on the provisional computation of income tax made by the management of the Company.

ANNEXURE - XXII: STATEMENT OF RELATED PARTY TRANSACTIONS

In accordance with the requirements of Accounting Standard 18, "Related Party Disclosures" as notified under the Companies Act, 1956:

A. List of Related Parties:

| Sr. No. | Name of the Related Parties | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 | Remarks |
|---------|-----------------------------|--|--|--|---|
| 1. | Surendra Gandhi | Managing Director and Associate concern | Managing Director and Associate concern | Managing Director and Associate concern | (a) Appointed as first director w.e.f. April 10, 2007 and re-designated as 'Managing Director' w.e.f. May 1, 2007. Re-designated as Chairman & Managing Director w.e.f. October 1, 2009. (b) Proprietor of Oil Asia Journal |
| 2. | Sumit Gandhi | Executive Director and Associate concern | Executive Director and Associate concern | Executive Director and Associate concern | (a) Appointed as first director w.e.f. April 10, 2007 and re-designated as 'Executive Director' w.e.f. May 01, 2007. Re-designated as Whole time director w.e.f. October 1, 2009. (b) Proprietor of Asian Business Exhibitions and Conferences |
| 3. | Manish Gandhi | Executive Director and Associate concern | Executive Director and Associate concern | Executive Director and Associate concern | (a) Appointed as first director w.e.f. April 10, 2007 and re-designated as 'Executive Director' w.e.f. May 01, 2007. Re-designated as Whole time director w.e.f. October 1, 2009. (b) Proprietor of Indian Exhibitions and Conferences |
| 4. | Satinder Pal Kaur | Executive Director and Associate concern | Executive Director and Associate concern | Executive Director and Associate concern | (a) Appointed as first director w.e.f. April 10, 2007 and re-designated as 'Executive Director' w.e.f. May 01, 2007 till September 26, 2009. (b) Proprietor of Media Eleven |
| 5. | Bulbeer Kaur | AVP | Employee / Whole Time Director | Whole Time Director / Non Executive Director | Appointed as AVP w.e.f. May 01, 2007. Then was Whole Time Director w.e.f. October 1, 2008 till August 31, 2009. Appointed as Non Executive Director w.e.f. September 26, 2009 till January 04, 2010. |
| 6. | Mandeep Kaur | AVP | Employee / Whole Time Director | Whole Time Director / Non Executive Director | Appointed as AVP w.e.f. May 01, 2007. Then was Whole Time Director w.e.f. October 1, 2008 till August 31, 2009. Appointed as Non Executive Director w.e.f. September 26, 2009 till January 04, 2010. |
| 7. | Surendra Mohan Singh Gandhi | Associate Concern | Associate Concern | Associate Concern | Proprietor of Oil Asia Journal (Symposium Division) |

| Sr. No. | Name of the Related Parties | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 | Remarks |
|---------|--------------------------------------|---------------------------|---------------------------|-------------------------------------|---|
| HUF | | | | | |
| 8. | New Media 29 Events Private Limited | Associate Concern | Associate Concern | Associate Concern | Enterprise owned and significantly influenced by Directors. |
| 9 | Oil Asia Publication Private Limited | Associate Concern | Associate Concern | Subsidiary | Enterprise owned and significantly influenced by Directors. Subsidiary w.e.f. April 01, 2009. |

B. Details of Related Party Transactions

The company has identified the following related party transactions as per Accounting Standard 18, as notified under the Companies Act, 1956:

(Rs. in lacs)

| Nature of Transaction | Year ended March 31, 2008 | | Year ended March 31, 2009 | | Six months ended September 30, 2009 | | |
|--|---------------------------|-------------------|---------------------------|-------------------|-------------------------------------|-------------------|------------|
| | KMP & their Relatives | Associate Concern | KMP & their Relatives | Associate Concern | KMP & their Relatives | Associate Concern | Subsidiary |
| Business Transfer | | | | | | | |
| Fixed Assets Transfer | | | | | | | |
| Manish Gandhi | - | 5.39 | - | - | - | - | - |
| Sumit Gandhi | - | 7.37 | - | - | - | - | - |
| Satinder Pal Kaur | - | 0.91 | - | - | - | - | - |
| Net Current Assets Transferred | | | | | | | |
| Manish Gandhi | - | 160.72 | - | 112.35 | - | 53.76 | - |
| Sumit Gandhi | - | 32.99 | - | 40.36 | - | - | - |
| Satinder Pal Kaur | - | 94.43 | - | 23.60 | - | 71.75 | - |
| Loan Given | | | | | | | |
| Oil Asia Publication Private Limited | - | - | - | - | - | - | 1.22 |
| Loan Received back | | | | | | | |
| Oil Asia Publication Private Limited | - | - | - | - | - | - | 1.22 |
| Goods and Materials Sold | | | | | | | |
| Oil Asia Publication Private Limited | - | - | - | 4.15 | - | - | - |
| Amount received for Goods and Materials Sold | | | | | | | |
| Oil Asia Publication Private Limited | - | - | - | - | - | - | 4.15 |
| Goods and Materials Purchased | | | | | | | |
| Oil Asia Publication Private Limited | - | - | - | - | - | - | 0.95 |
| Amount paid for Goods and Materials purchased | | | | | | | |
| Oil Asia Publication Private Limited | - | - | - | 0.95 | - | - | - |

| Nature of Transaction | Year ended March 31, 2008 | | Year ended March 31, 2009 | | Six months ended September 30, 2009 | | |
|--|---------------------------|-------------------|---------------------------|-------------------|-------------------------------------|-------------------|------------|
| | KMP & their Relatives | Associate Concern | KMP & their Relatives | Associate Concern | KMP & their Relatives | Associate Concern | Subsidiary |
| Rental Deposit paid to | | | | | | | |
| New Media 29 Events Private Limited | - | - | - | 100.00 | - | - | - |
| Manish Gandhi | - | - | 15.00 | - | 5.00 | - | - |
| Sumit Gandhi | - | - | 15.00 | - | - | - | - |
| Surendra Gandhi | - | - | 15.00 | - | - | - | - |
| Rental Deposit received back | | | | | | | |
| New Media 29 Events Private Limited | - | - | - | - | - | 100.00 | - |
| Rent Paid | | | | | | | |
| New Media 29 Events Private Limited | - | - | - | - | - | 1.50 | - |
| Manish Gandhi | 4.95 | - | 5.40 | - | 2.70 | - | - |
| Sumit Gandhi | 4.95 | - | 5.40 | - | 2.70 | - | - |
| Satinder Pal Kaur | 2.25 | - | 5.40 | - | - | - | - |
| Surendra Gandhi | 4.95 | - | 5.40 | - | 2.70 | - | - |
| Bulbeer Kaur | 2.25 | - | 5.40 | - | - | - | - |
| Mandeep Gandhi | 4.95 | - | 5.40 | - | 2.70 | - | - |
| Purchase of 100% shares of Oil Asia Publication Private Limited (WOS) | | | | | | | |
| Manish Gandhi | - | - | - | - | 6.80 | - | - |
| Sumit Gandhi | - | - | - | - | 6.80 | - | - |
| Satinder Pal Kaur | - | - | - | - | 6.80 | - | - |
| Surendra Gandhi | - | - | - | - | 6.80 | - | - |
| Directors Remuneration / Remuneration and Perquisites | | | | | | | |
| Manish Gandhi | 10.81 | - | 13.90 | - | 7.50 | - | - |
| Sumit Gandhi | 10.91 | - | 14.56 | - | 6.00 | - | - |
| Surendra Gandhi | 10.26 | - | 12.66 | - | 6.00 | - | - |
| Satinder Pal Kaur | 9.10 | - | 8.39 | - | 3.50 | - | - |
| Bulbeer Kaur | 6.31 | - | 8.20 | - | 1.50 | - | - |
| Mandeep Gandhi | 6.53 | - | 8.19 | - | 1.50 | - | - |

(Rs. in lacs)

| Related Party Closing Balances | As at March 31, 2008 | | As at March 31, 2009 | | As at September 30, 2009 | | |
|--|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|------------|
| | KMP & their Relatives | Associate Concern | KMP & their Relatives | Associate Concern | KMP & their Relatives | Associate Concern | Subsidiary |
| Business Transfer | | | | | | | |
| Manish Gandhi | - | 166.11 | - | 53.76 | - | - | - |
| Sumit Gandhi | - | 40.36 | - | - | - | - | - |
| Satinder Pal Kaur | - | 95.35 | - | 71.75 | - | - | - |
| Remuneration Payable | | | | | | | |
| Manish Gandhi | | | | | 0.50 | - | - |
| Sumit Gandhi | | | | | 0.50 | - | - |
| Satinder Pal Kaur | - | - | - | - | 0.50 | - | - |
| Surendra Gandhi | - | - | - | - | 0.50 | - | - |
| Mandeep Gandhi | - | - | - | - | 0.50 | - | - |
| New Media 29 Events Private Limited | - | - | - | 100.00 | - | - | - |
| Oil Asia Publication Private Limited | - | - | - | 5.10 | - | - | - |

AUDITORS' REPORT ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors,
Asian Business Exhibition & Conferences Limited
530, Laxmi Plaza,
Laxmi Industrial Estate,
New Link Road,
Andheri (West),
Mumbai - 400053

Dear Sirs,

Sub : Proposed Initial Public Issue of Asian Business Exhibition & Conferences Limited

We have examined the consolidated financial information of Asian Business Exhibition & Conferences Limited ("the Company") and Oil Asia Publication Private Limited its subsidiary described below in points A and B and annexed to this report. The said Consolidated Restated Summary Statements and Other Financial Information have been prepared by the Company for the purpose of inclusion in the offer document.

The Consolidated financial information has been prepared in accordance with the requirements of

- i. Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ("the Act"),
- ii. The Securities and Exchange Board of India ("SEBI") – (Issue of Capital and Disclosure Requirements) Regulation, 2009 (the "SEBI ICDR Regulations") notified on August 26, 2009 and as amended
- iii. The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ,
- iv. The terms of engagement agreed upon by us with the Company. The consolidated financial information has been prepared by the Company and approved by its Board of Directors.

A. Consolidated Financial Information as per Audited Consolidated Financial Statements:

We have examined:

- a. The attached Consolidated Restated Summary Statements of Assets and Liabilities as at period ended September 30, 2009 (Annexure - I);
- b. The attached Consolidated Restated Summary Statements of Profit and Loss for the period ended September 30, 2009 (Annexure - II);
- c. The attached Consolidated Restated Summary Statements of Cash Flow for the period ended September 30, 2009 and (Annexure - III);
- d. The significant accounting policies adopted by the Company as at and for period ended September 30, 2009 and notes to the Consolidated Restated Summary Statements (Annexure - IV);

- together referred to as the “Consolidated Restated Summary Statements”.

The Consolidated Restated Summary Statements have been extracted from audited consolidated financial statements of the Company as at and for the period ended September 30, 2009 which have been approved by the Board of Directors. The financial information is based on the accounts audited by us for the above-mentioned period. These Financial Statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these accounts based on the audit.

Based on our examination and in accordance with the requirements of the Act, SEBI ICDR Regulations and terms of engagement agreed by us with the Company we state that:

- i. The consolidated restated assets and liabilities of the Company as at September 30, 2009 Annexure - I, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure IV;
- ii. The consolidated restated profits of the Company for the period ended September 30, 2009 are as set out in Annexure - II, which have been arrived at after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure - IV;
- iii. The consolidated restated cash flows of the Company for the period ended September 30, 2009 are as set out in Annexure - III; which have been arrived at after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure - IV;
- iv. The Consolidated Restated Summary Statements have been prepared with restated accounts to reflect the significant accounting policies adopted by the Company as at September 30, 2009.
- v. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- vi. We hereby confirm that there are no qualifications, quantitative or non-quantitative in nature, in the consolidated auditors’ report for period ended September 30, 2009.
- vii. There are no extra-ordinary items, which need to be disclosed separately in the Consolidated Restated Summary Statements

B. Other Consolidated Financial Information as per Audited Consolidated Financial Statements:

We have also examined the following consolidated financial information relating to the Company, which is based on the Consolidated Restated Summary Statements / audited consolidated financial statements and approved by the Board of Directors for the purpose of inclusion herein:

| | |
|---|-----------------|
| a) Summary statement of Fixed Assets | Annexure – V |
| b) Summary statement of Investments | Annexure – VI |
| c) Summary statement of Receivables | Annexure - VII |
| d) Summary statement of Loan and Advances | Annexure – VIII |
| e) Summary statement of Other Current Assets | Annexure – IX |
| f) Summary statement of Secured Loans | Annexure – X |
| g) Summary statement of Share Capital | Annexure – XI |
| h) Summary statement of Reserves & Surplus | Annexure – XII |
| i) Reconciliation statement of Profit & Loss A/c after Restated Adjustments | Annexure – XIII |
| j) Summary statement of Income from operations | Annexure – XIV |
| k) Summary statement of Other Income | Annexure – XV |
| l) Summary statement of Cost of Operation | Annexure – XVI |

| | |
|---|------------------|
| m) Summary statement of Salary Expenses | Annexure – XVII |
| n) Summary statement of Administrative & Other Expenses | Annexure – XVIII |
| o) Summary of Accounting Ratios | Annexure – XIX |
| p) Capitalization Statement | Annexure – XX |
| l) Summary statement of Tax Shelters | Annexure – XXI |
| m) Related Party Transactions | Annexure – XXII |

In our opinion, the Consolidated financial information of the Company attached to this report, as mentioned in paragraph (A and B) above, read with significant accounting policies and notes as annexed to this report, and after making such adjustments as were considered appropriate, has been prepared in accordance with Part II (B) of Schedule II of the Act and the SEBI ICDR Regulations.

This report should not in any way be construed as a reissuance or redating of the previous audit report.

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

For **R. Sanghvi & Co.**
Chartered Accountants

Rajesh Sanghvi
Proprietor
Membership No.: 41744
Place: Mumbai
Date: January 25, 2010

**ANNEXURE - I CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES,
AS RESTATED**

(Rs. in lacs)

| Particulars | As at September 30, 2009 |
|--|---------------------------------|
| A) Fixed Assets | |
| Gross Block | 95.08 |
| Less: Accumulated depreciation / amortisation | 32.17 |
| Net Block | 62.90 |
| B) Investments | 0.00 |
| C) Current assets, loans and advances | |
| Receivables | 397.95 |
| Cash and bank balances | 1,476.62 |
| Loans and advances | 1,324.64 |
| Other Current Assets | 13.05 |
| Total Current asset, loans and advances | 3,212.26 |
| Total Assets | 3,275.17 |
| D) Liabilities, provisions and Loans | |
| Loan funds : | |
| Secured Loans | 22.76 |
| Deferred tax liability | 0.29 |
| Current liabilities and provisions | |
| Current Liabilities | 1,369.29 |
| Provisions | 628.14 |
| Total Liabilities, provisions and Loans | 2,020.49 |
| Net worth (A+B+C-D) | 1,254.69 |
| Net Worth represented by:- | |
| Shareholders funds | |
| Equity Share Capital | 850.00 |
| Reserve & surplus | 407.17 |
| Less:- Miscellaneous expenditure not written off | 2.48 |
| Net worth | 1,254.69 |

**ANNEXURE - II CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS
ACCOUNT, AS RESTATED**

(Rs. in lacs)

| Particulars | Year ended September 30, 2009 |
|--|--|
| INCOME | |
| Income from operations | 1,599.03 |
| Other income | 24.02 |
| Total | 1,623.05 |
| EXPENDITURE | |
| Cost of operations | 700.58 |
| Salary expenses | 177.23 |
| Administrative and other expenses | 98.92 |
| Interest & finance charges | 2.09 |
| Miscellaneous expenditure written off | 0.17 |
| Depreciation / amortisation | 8.48 |
| Total | 987.45 |
| Profit before tax and prior period items | 635.60 |
| Provision for taxation | |
| - Income tax | 214.92 |
| - Deferred tax liability(assets) | (0.58) |
| Restated Net Profit After Tax and before minority interest | 421.26 |
| Less: Restated profit transferred to minority interest | - |
| Restated Net Profit After Tax after minority interest | 421.26 |
| Balance in profit and loss account brought forward from previous years | 762.10 |
| Appropriations | |
| Bonus issue of shares | (750.00) |
| Balance carried over to Balance Sheet | 433.37 |

**ANNEXURE - III CONSOLIDATED SUMMARY STATEMENT OF CASH FLOW, AS
RESTATED**

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|---|-----------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | |
| Profit before tax and extra ordinary items, as restated | 635.60 |
| Add: | |
| Depreciation / amortisation | 8.48 |
| Miscellaneous expenditure written off | 0.17 |
| Interest income | (21.73) |
| Interest expenses | 2.22 |
| | - |
| Operating profit before working capital changes | 624.73 |
| | - |
| Adjustment for changes in Working Capital : | |
| Decrease/(increase) in sundry debtors | (226.54) |
| Decrease/(increase) in loan & advances | 86.24 |
| Increase/(decrease) in sundry creditors & other liabilities | 725.81 |
| Cash Generated from Operations | 1,210.24 |
| Less : Direct tax paid | (219.72) |
| Net cash from/(used in) operating activities (A) | 990.52 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | |
| Purchase of fixed assets | (1.55) |
| Purchase of investments | (27.20) |
| Interest received | 21.73 |
| Net Cash from/(used in) investing activities (B) | (7.02) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | |
| Repayment of borrowings | (4.46) |
| Interest expenses | (1.69) |
| Net Cash from/(used in) financing activities (C) | (6.15) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 977.35 |
| Opening cash and cash equivalents | 499.27 |
| Closing cash and cash equivalents | 1,476.62 |
| Components of cash & cash equivalents | |
| Cash in hand | 75.18 |
| Balance with scheduled bank | 1,401.45 |

ANNEXURE - IV STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED RESTATED STATEMENTS

I.

- (a) **Basis of Preparation of Financial Statements:** The consolidated financial statements are prepared under the historical cost convention on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountant of India (ICAI) and the provisions of the Companies Act, 1956.
- (b) **Use of estimates:** The preparation of consolidated financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statement and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

II. Significant Accounting Policies

(a) Basis of consolidation:

The Consolidated Financials Statements relates to Asian Business Exhibition & Conferences Limited (hereinafter referred to as “the parent company” and its 100% subsidiary, Oil Asia Publication Private Limited (hereinafter referred to as “the subsidiary company” and hereinafter collectively both the parent and subsidiary company referred to as “the companies”).

The Consolidated financials statements have been prepared on the following basis:

- (i) The financial statements of the parent company and its subsidiary company have been consolidated on a line by line basis by adding together the book values of the items like assets, liabilities, income and expenses.
- (ii) The excess/deficit (as on the date of acquisition) of the Company’s investment cost over the subsidiary’s net worth is recognized as capital reserve.
- (iii) The consolidated financials statements are prepared after fully eliminating intra parent – 100% subsidiary balances and transactions.
- (iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company’s separate financial statements.
- (v) There are no differences in reporting dates within the parent and subsidiary.

(b) Revenue recognition:

Income from Exhibition & Events: The companies recognize its revenues from sale of stall space in exhibitions and events. Sale of stall space is also achieved through media insertions in publications. Both these revenues are recognized on accrual basis on completion of event.

Sponsorship income: Additional revenue generated during exhibitions by prominently displaying / associating, names of certain exhibitors in signages, hoardings, banners, flags, etc. during the exhibition for promoting their brands. This income is accounted on accrual basis on completion of the event.

Income from Delegate fees: The said income is earned from delegates attending conferences / events.

Income from entry charges: For certain events entry fees has been charged from certain visitors for visiting exhibitions. It is accounted upon actual receipt of amounts at the exhibition

(c) Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation. Cost comprises purchase price, duties, levies and any other costs relating to the acquisition and installation of the assets. The gross block of fixed assets is stated at cost of acquisition, including any cost attributable to bringing the assets to their working condition for their intended use. Interest and financing charges on borrowed funds, if any, used to finance the acquisition of fixed assets, till the date the assets are ready for use, are capitalized and included in the cost of the asset.

(d) Depreciation:

Fixed Assets are depreciated under the 'Written Down Value Method' at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions / deletions during the year on the assets.

(e) Intangible Assets:

In accordance with Accounting Standard 26 on Intangible Assets, expenditure on 'Acquisition of Trade Marks' have been amortized over a period of ten years on pro rata basis, based on the Managements estimates of the estimated useful life of the said intangibles on a straight-line basis.

(f) Investments:

In accordance with Accounting Standard 13, Long Term Investments are recorded as long term investments unless they are expected to be sold within one year.

(g) Foreign Currency Transactions:

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on actual realization has been adjusted to the Profit and Loss Account accordingly.

(h) Impairment of Assets :

As on the Balance sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, they shall estimate the recoverable amount of the group of assets as a whole, to determine the value of impairment.

(i) Provisions and contingencies :

Provisions are recognized when there is present legal or constructive obligation as a result of a past event and it is more likely than not that an outflow of resources will be required to settle the obligation. Provisions are measured at the management's best estimate of the outflow required to settle the obligations at the Balance Sheet date.

(j) Taxes on income :

Income tax expense comprises of current income tax, deferred tax and fringe benefits tax.

Current taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961, and is made at the end of each reporting period based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in the future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

Fringe Benefits tax

Provision for fringe benefits tax has been recognized on the basis of interpretations of the relevant provisions of the Income Tax Act, 1961.

(k) Earnings per share(EPS) :

Basic EPS is calculated as under:

$$\text{Basic Earnings Per Share:} = \frac{\text{Net Profit/(Loss) for the period attributable to equity shareholder}}{\text{Weighted average number of equity shares outstanding during the period}}$$

The earnings considered in ascertaining the earnings per share comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of equity shares outstanding during the period, as adjusted for the issuance of any bonus shares.

(l) Cash and cash equivalents: Cash and cash equivalents for the purpose of the Statement of Cash Flow comprise cash at bank and in hand and short term fixed deposits.

(m) Miscellaneous expenditure: As per management policy followed, preliminary expenses are written off to the extent of 1/10th every year.

III. Notes To Accounts:

1. Asian Business Exhibition & Conferences Limited is a public limited company, incorporated on April 10, 2007, registered with the Registrar of Companies, Mumbai. It acquired 100% stake in Oil Asia Publication Private Limited a private limited company on April 01, 2009 and continues to hold so as on September 30, 2009.
2. Balances of certain debtors, advance from customers, advance to parties and creditors are subject to confirmation / reconciliation and subsequent adjustment, if any.

3. Current assets, loans & advances are approximately of the value stated and realizable in the ordinary course of business, and provisions for all known liabilities have been made
4. The Companies business activities fall within a single segment, viz. Income from exhibition and events and operate only in domestic market. Hence segment reporting as defined in Accounting Standard (AS-17) is not given.
5. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
6. Previous year figures have been regrouped or re-arranged wherever considered necessary to make them comparable with those of the current year.
7. Appropriate adjustments by way of reclassification of corresponding items of assets, liabilities, income and expenses have been made wherever required, in the consolidated restated summary statements, to bring them in line with the groupings as per the restated summary statements as at and for the period ended September 30, 2009.
8. Since the companies are not into trading & manufacturing business, quantitative data is not applicable to the Group
9. Issue of Bonus Equity Shares :

For Period ended: September 30, 2009

During the period under review, the parent company issued bonus equity shares on September 26, 2009 in the ratio of 7.5 shares for every one share held by existing share holders of the face value of Rs.10 each aggregating to Rs.750 lacs by debiting the Profit & loss account.

10. Contingent Liabilities :

| <i>(Rs. in lacs)</i> | |
|--|--|
| Particulars | As at six month ended September 30 , 2009 |
| Entertainment Tax, (Subjudice Matter) | 6.28 |
| Claims against the company not considered as debts, (Subjudice Matter) | 16.91 |

11. The Companies are in the process of acquiring immovable property and towards this purpose, it has paid the following amounts as mentioned below:

| <i>(Rs. in lacs)</i> | |
|--|--|
| Particulars | As at six month ended September 30 , 2009 |
| Balance payable for Immovable Property | 149.08 |

12. Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction :

| <i>(Rs. in lacs)</i> | |
|---|--|
| Particulars | As on six month ended September 30 , 2009 |
| Exchange Rate Difference debited to Profit & Loss a/c | 0.02 |

13. Payment to Directors :

a) Remuneration to Managing Director and Whole Time Directors is approved by the members' and is within the limits prescribed in Schedule XIII to the Companies Act, 1956.

(Rs. in lacs)

| Particulars | As on six month ended September 30 , 2009 |
|-----------------------|--|
| Salary and Allowances | 26.00 |
| Commission | - |
| Perquisites | - |
| Total | 26.00 |

b) The Computation of net profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to the Managing Director is as under:

(Rs. in lacs)

| Particulars | As on six month ended September 30 , 2009 |
|--|--|
| Profit before Tax as per Profit and Loss account | 635.60 |
| Add: Managerial Remuneration | 26.00 |
| Depreciation as per profit and loss account | 8.48 |
| Total | 670.08 |
| Less: Depreciation u/s 350 | 8.48 |
| Net Profit for Section 198 | 661.6 |
| Maximum permissible managerial remuneration to Managing Director and Whole Time Directors under Section 198 of the Companies Act, 1956 @ 10% of the profits computed above | 66.16 |

14. Payment to Auditors :

(Rs. in lacs)

| Particulars | As on six month ended September 30 , 2009 |
|----------------------------|--|
| For Statutory Audit Fees * | 1.30 |
| Tax Audit Fees* | Nil |
| Total | Nil |

* Excluding Service Tax

15. Deferred tax balances

The components of deferred tax liability and assets arising on account of timing differences between taxable incomes and accounting income are as follows:

(Rs. in lacs)

| Particulars | As at six month ended September 30 , 2009 |
|--|--|
| Opening Deferred Tax Liability / (Assets) | 0.88 |
| Liability / (Assets) due to difference in tax depreciation and book depreciation | (0.64) |
| Liability / (Assets) due to disallowance u/s 35D Income Tax Act, 1961 | 0.05 |
| Closing Deferred Tax Liability / (Assets) | 0.29 |

**ANNEXURE - V CONSOLIDATED SUMMARY STATEMENTS OF FIXED ASSETS, AS
RESTATED**

(Rs. in lacs)

| Particular of assets | As at September 30, 2009 | | | | | |
|----------------------|--------------------------|---------------------------|--------------|--------------|--------------------------|--------------|
| | Opening Balance | Additions during the year | Gross Block | For the Year | Accumulated Depreciation | Net Block |
| Office equipments | 12.74 | 1.14 | 13.88 | 0.76 | 3.27 | 10.61 |
| Motor vehicles | 43.49 | - | 43.49 | 4.43 | 13.81 | 29.69 |
| Furniture & Fixtures | 13.10 | - | 13.10 | 0.92 | 3.90 | 9.21 |
| Computers | 17.88 | 0.41 | 18.29 | 2.08 | 9.89 | 8.39 |
| Trademarks | 6.32 | - | 6.32 | 0.29 | 1.31 | 5.01 |
| Total | 93.53 | 1.55 | 95.08 | 8.48 | 32.17 | 62.90 |

**ANNEXURE - VI CONSOLIDATED SUMMARY STATEMENTS OF INVESTMENTS, AS
RESTATED**

(Rs. in lacs)

| Particulars | As at September 30, 2009 |
|--|--------------------------|
| Investment in unquoted shares | |
| Shares with Kapol Bank 30 Equity Shares of Rs. 10/- each | 0.00 |
| Total of investment in unquoted share (B) | 0.00 |

**ANNEXURE - VII CONSOLIDATED SUMMARY STATEMENT OF RECEIVABLES, AS
RESTATED**

(Rs. in lacs)

| Particulars | As at September 30, 2009 |
|--|--------------------------|
| Debts outstanding for the period less than 6 months | |
| Unsecured considered good | 341.97 |
| Debts outstanding for the period more than 6 months | |
| Unsecured considered good | 55.98 |
| Total | 397.95 |

Note: - There are no sundry debtors who are related to the directors, promoters, group companies or the company for the aforementioned period.

**ANNEXURE - VIII CONSOLIDATED SUMMARY STATEMENT OF LOAN AND ADVANCES,
AS RESTATED**

| <i>(Rs. in lacs)</i> | |
|---|---------------------------------|
| Particulars | As at September 30, 2009 |
| Unsecured, considered good | |
| Advances recoverable in cash or in kind or for value to be received | 4.60 |
| Advance - (suppliers , contractors , real estate, etc) | 758.91 |
| Deposits - (Rental) | 64.49 |
| Advance tax and tax deducted at source | 496.64 |
| Total | 1,324.64 |

Details of amounts given to related parties as included in above annexure:

| <i>(Rs. in lacs)</i> | |
|--------------------------|---------------------------------|
| Name of Entity | As at September 30, 2009 |
| Deposits (Rental) | |
| Sumit Gandhi | 15.00 |
| Surendra Gandhi | 15.00 |
| Manish Gandhi | 20.00 |
| Total | 50.00 |

Except as provided above, there are no loans and advances due from directors, promoters, group companies or the company for the aforementioned years.

**ANNEXURE - IX CONSOLIDATED SUMMARY STATEMENT OF OTHER CURRENT ASSETS,
AS RESTATED**

| <i>(Rs. in lacs)</i> | |
|----------------------|---------------------------------|
| Particulars | As on September 30, 2009 |
| Interest Accrued | 13.05 |
| Total | 13.05 |

**ANNEXURE - X CONSOLIDATED SUMMARY STATEMENTS OF SECURED LOAN, AS
RESTATED**

| <i>(Rs. in lacs)</i> | |
|----------------------|---------------------------------|
| Particulars | As on September 30, 2009 |
| Vehicle loan ** | 22.76 |
| Total | 22.76 |

| <i>(Rs. in lacs)</i> | | | |
|----------------------------|-----------------------------|---|-----------------------------|
| Name of Bank | As on 30.09.2009 | Installment amount per month | Rate of Interest |
| ICICI Bank (Vehicle Loan)* | 29.77 | 0.82 | 11.32% |

**An amount of Rs. 7.01 lacs which are due in the immediate coming 12 months as on September 30, 2009, have been transferred to current liabilities.

*Vehicle is hypothecated to ICICI Bank Ltd.

There are no secured loans taken from the directors, promoters, promoters group, group companies or associated companies for the aforementioned years.

ANNEXURE - XI CONSOLIDATED STATEMENTS OF SHARE CAPITAL, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|--|--------------------------|
| Authorised equity share capital of Rs. 10 each | 2,500.00 |
| Issued, subscribed & paid up equity share capital | |
| 85,00,000 equity shares of Rs. 10 each fully paid * | 850.00 |
| Total | 850.00 |

*Out of which 75,00,000 equity shares have been issued as fully paid up as Bonus Shares on September 26, 2009 by the parent company.

**ANNEXURE - XII CONSOLIDATED SUMMARY STATEMENTS OF RESERVE & SURPLUS,
AS RESTATED**

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|------------------------------------|--------------------------|
| Profit & loss Account | |
| Opening balance b/f | 735.93 |
| Add: Profit for the year | 380.41 |
| Less : Bonus shares issued | (750.00) |
| Capital Reserve upon consolidation | 40.83 |
| Total | 407.17 |

**ANNEXURE - XIII RECONCILIATION STATEMENT OF PROFIT & LOSS A/C AFTER
RESTATED ADJUSTMENTS**

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|---|--------------------------|
| Net Profit after tax as per audited financials | 420.68 |
| Restatement adjustments | |
| Deferred Tax (Liability) / Asset | 0.05 |
| Interest on FBT | 0.53 |
| Net Profit after tax as restated | 421.26 |

ANNEXURE - XIV CONSOLIDATED SUMMARY STATEMENTS OF INCOME FROM OPERATIONS, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|------------------------------|---------------------------------|
| Direct Income | |
| Exhibition & Events | 1,493.47 |
| Delegate Fees | 21.11 |
| Sponsorship | 35.43 |
| Entry Fees | 49.02 |
| Total - Direct Income | 1,599.03 |

ANNEXURE - XV CONSOLIDATED SUMMARY STATEMENT OF OTHER INCOME, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 | Nature (Recurring / Non - Recurring) | Related / Non related to business |
|--|---------------------------------|---|--|
| Stall Designing | 0.52 | Recurring | Related |
| Other Income | 5.61 | Non - Recurring | Non - Related |
| Interest FD | 17.89 | Recurring | Non - Related |
| Total | 24.02 | | |
| % of other income to Profit before tax (PBT) | 3.78% | | |

ANNEXURE - XVI CONSOLIDATED SUMMARY STATEMENTS OF COST OF OPERATION, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|--------------------------|---------------------------------|
| Exhibition Expenses | 180.06 |
| Media Insertion Expenses | 198.88 |
| Venue Rental Charges | 214.28 |
| Other Direct Expenses | 89.13 |
| Traveling Expenses | 18.23 |
| Total | 700.58 |

ANNEXURE - XVII CONSOLIDATED STATEMENTS OF SALARY EXPENSES, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|--|---------------------------------|
| Directors Remuneration | 26.00 |
| Salaries , Wages & other benefits to Staff | 151.23 |
| Total | 177.23 |

ANNEXURE - XVIII CONSOLIDATED SUMMARY STATEMENT OF ADMINISTRATIVE & OTHER EXPENSES, AS RESTATED

(Rs. in lacs)

| Particulars | As on September 30, 2009 |
|------------------------------------|---------------------------------|
| Business Promotion Expenses | 8.27 |
| Car Hire Charges | 3.42 |
| Communication Expenses | 6.99 |
| Courier Expenses | 18.61 |
| Electricity Charges | 3.97 |
| Motor Car Expenses | 4.17 |
| Professional / Consultancy Charges | 16.67 |
| Rent, Rates & Taxes | 15.11 |
| Repairs & Maintenance | 1.41 |
| Other Expenses | 20.31 |
| Total | 98.92 |

ANNEXURE - XIX CONSOLIDATED SUMMARY OF ACCOUNTING RATIOS, AS RESTATED

(Rs. in lacs, except per share data)

| Particulars | As on September 30, 2009 |
|--|---------------------------------|
| Weighted average number of equity shares of Rs. 10 each | |
| i) Number of shares at the beginning of the year | 10,00,000 |
| ii) Number of shares at the end of the year | 85,00,000 |
| iii) Weighted average number of outstanding equity shares used for calculating basic and diluted earning per share. As adjusted for the bonus shares issued on September 26, 2009 with retrospective effect | 85,00,000 |
| iv) Net Worth | 1,254.69 |
| Net Profit after tax available for equity shareholders | 421.26 |
| 1. Basic and Diluted earning per share (EPS) | 4.96 |
| 2. Return on net worth (%) | 33.58% |
| 3. Net asset value per share | 14.76 |

$$\begin{aligned} \text{Earning per share (Basic and Diluted)} &= \frac{\text{Restated consolidated Net Profit After Tax}}{\text{Weighted average number of equity shares outstanding during the year}} \\ \text{Return on net worth (\%)} &= \frac{\text{Restated consolidated Net Profit After Tax}}{\text{Consolidated Net Worth at the end of the year}} \\ \text{Net asset value} &= \frac{\text{Net Worth at the end of the year}}{\text{Actual number of equity shares outstanding at end of the year}} \end{aligned}$$

ANNEXURE - XX CAPITALISATION STATEMENT

(Rs. in lacs)

| Particulars | Pre-issue as on September 30, 2009 | As Adjusted for the issue |
|--|---|----------------------------------|
| Borrowing | | |
| Short term Debt | 7.01 | [•] |
| Long term Debt | 22.76 | [•] |
| Total Debts | 29.77 | [•] |
| Shareholder's fund | | |
| Equity share capital | 850.00 | [•] |
| Reserve & surplus | 407.17 | [•] |
| Less:- Miscellaneous expenditure not written off | 2.48 | [•] |
| Total shareholder's fund | 1,254.69 | [•] |
| Long-term debt/equity ratio | 0.02 : 1 | [•] |
| Total debt to equity ratio | 0.02 : 1 | [•] |

- 1 Short term debts represent debts which are due within twelve months from September 30, 2009.
- 2 Long term debts represent debts other than short term debts, as defined above.
- 3 The figures disclosed above are based on the Restated consolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2009.
- 4 Long Term debt to Equity = Long Term Debts / Shareholders' Funds
- 5 Total debt to equity ratio = Total Debt / Shareholders' Funds
- 6 The corresponding post issue figures are not determinable at this stage and will be mentioned after the Issue.
- 7 Equity share capital of the parent Company has been increased from Rs. 100 Lacs to Rs. 850 Lacs by way of issuing 75,00,000 bonus shares of Rs. 10 each in ratio of 7.5 equity shares for every 1 Equity Share held vide board resolution dated September 26, 2009

ANNEXURE - XXI STATEMENT OF TAX SHELTERS

| Particulars | <i>(Rs. in lacs)</i> As on September 30, 2009 |
|---|---|
| Profit before tax as restated | 635.60 |
| Tax rate (%) * | 33.70% |
| Tax as per actual rate on profits (A) | 214.21 |
| Adjustments: | |
| Permanent differences | |
| Charity and donations | (0.01) |
| Interest on Income Tax | (0.40) |
| Total permanent difference | (0.41) |
| Tax effect from permanent difference (B) | (0.13) |
| Timing difference | |
| Difference between tax depreciation and book depreciation | (1.88) |
| Difference u/s 35 D Income Tax Act, 1961. | 0.17 |
| Total timing difference | (1.72) |
| Tax effect from timing difference (C) | (0.59) |
| Total adjustments (B+C) =D | (0.71) |
| Tax payable for the year (A-D) | 214.92 |
| Current tax | 214.92 |

* Difference in applicable surcharge rates as per governing Income Tax rules.

Note: The above statement has been prepared for the six month ended September 30, 2009 based on the provisional computation of income tax made by the management of the Company.

ANNEXURE - XXII RELATED PARTY TRANSACTIONS

In accordance with the requirements of Accounting Standard 18, "Related Party Disclosures" as notified under the Companies Act, 1956:

List of Related Parties:

| Sr. No. | Name of the Related Parties | As at six month ended September 30, 2009 | Remarks |
|---------|------------------------------|--|---|
| 1 | Surendra Gandhi | Managing Director and Associate concern | (a) Managing Director of ABECCL and First Director of OAPPL. Re-designated as Chairman & Managing Director w.e.f. October 1, 2009 of ABECCL. (b) Proprietor of Oil Asia Journal |
| 2 | Sumit Gandhi | Executive Director and Associate concern | (a) Executive Director of ABECCL. Re-designated as Whole Time director w.e.f. October 1, 2009. (b) Appointed as First Director of Oil Asia Publication Private Limited w.e.f. May 8, 2007. (c) Proprietor of Asian Business Exhibitions and Conferences |
| 3 | Manish Gandhi | Executive Director and Associate concern | (a) Executive Director of ABECCL. Re-designated as Whole time director w.e.f. October 1, 2009. (b) Appointed as First Director of Oil Asia Publication Private Limited w.e.f. May 8, 2007. (c) Proprietor of Indian Exhibitions & Conferences. |
| 4 | Satinder Pal Kaur | Executive Director and Associate concern | (a) Executive Director of ABECCL. Resigned from the Board w.e.f. September 26, 2009 (b) Appointed as First Director of OAPPL w.e.f. May 8, 2007. Resigned from OAPPL w.e.f. September 26, 2009 (c) Proprietor of Media Eleven |
| 5 | Bulbeer Kaur | Whole Time Director / Non Executive Director | Whole Time Director of ABECCL till August 31, 2009. Appointed as Non Executive Director w.e.f. September 26, 2009 till January 04, 2010 |
| 6 | Mandeep Kaur | Whole Time Director / Non Executive Director | Whole Time Director of ABECCL till August 31, 2009. Appointed as Non Executive Director w.e.f. September 26, 2009 till January 04, 2010 |
| 7 | Surendra Gandhi HUF | Associate Concern | Proprietor of Oil Asia Journal (Symposium Division) |
| 8 | New Media 29 Private Limited | Associate Concern | Enterprise owned and significantly influenced by Directors. |

Details of Related party transactions
(Rs. in lacs)

| Nature of Transaction | Consolidated for September 30, 2009 | |
|--|-------------------------------------|-------------------|
| | KMP & their Relatives | Associate Concern |
| Business Transfer | | |
| Net Current Assets Transferred | | |
| Manish Gandhi | - | 53.76 |
| Satinder Pal Kaur | - | 71.75 |
| Surendra Gandhi | - | 7.91 |
| Surendra Gandhi HUF | - | 13.41 |
| Rental Deposit paid to | | |
| Manish Gandhi | 5.00 | - |
| Rental Deposit received back | | |
| New Media 29 Events Private Limited | | 100.00 |
| Rent Paid | | |
| New Media 29 Events Private Limited | - | 1.50 |
| Manish Gandhi | 2.70 | - |
| Sumit Gandhi | 2.70 | - |
| Surendra Gandhi | 2.70 | - |
| Mandeep Gandhi | 2.70 | - |
| Directors / Key Managerial Remuneration and Perquisites | | |
| Manish Gandhi | 7.50 | - |
| Sumit Gandhi | 6.00 | - |
| Surendra Gandhi | 6.00 | - |
| Satinder Pal Kaur | 3.50 | - |
| Bulbeer Kaur | 1.50 | - |
| Mandeep Gandhi | 1.50 | - |

(Rs. in lacs)

| Related Party Closing Balances | Consolidated as at September 30, 2009 | |
|--------------------------------|---------------------------------------|-------------------|
| | KMP & their Relatives | Associate Concern |
| Remuneration Payable | | |
| Manish Gandhi | 0.50 | - |
| Sumit Gandhi | 0.50 | - |
| Satinder Pal Kaur | 0.50 | - |
| Surendra Gandhi | 0.50 | - |
| Mandeep Gandhi | 0.50 | - |

PROMOTER GROUP ENTITIES

We have seven Group Entities, namely:

1. New Media 29 Events Private Limited
2. Asian Business Exhibitions and Conferences – Proprietary concern of Sumit Gandhi
3. Indian Exhibitions & Conferences – Proprietary concern of Manish Gandhi
4. Media Eleven – Proprietary concern of Satinder Pal Kaur
5. Oil Asia Journal – Proprietary concern of Surendra Gandhi
6. Oil Asia Journal (Symposium Division) – Proprietary concern of Surendra Mohan Singh Gandhi HUF
7. Surendra Mohan Singh Gandhi HUF

I. Corporate Entity

New Media 29 Events Private Limited (“NMEPL”)

Brief History

NMEPL was incorporated on February 4, 2009 having a corporate identity number U93090MH2009PTC190120. The registered office of NMEPL is located at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri – West, Mumbai 400053. NEMPL is authorised to carry on the business to conduct, organize, manage, design, exhibit, establish, provide, operate, participate, equip at national and international level and also engage in organising all sorts of shows, exhibitions, events or programmes for trade, sales promotion, business conference, seminar, corporate requirements. Further NMEPL, has entered into a business non compete agreement dated January 22, 2010 with our Company.

Board of Directors:

As on the date of Draft Red Herring Prospectus, NMEPL has three directors Surendra Gandhi, Sumit Gandhi, Manish Gandhi

Shareholding Pattern:

The equity shares of NMEPL are not listed on any stock exchange. The shareholding pattern of NMEPL as on date of the Draft Red Herring Prospectus is as follows:

| Name of Shareholders | Number of equity shares | % of equity share capital |
|----------------------|-------------------------|---------------------------|
| Surendra Gandhi | 3,334 | 33.34 |
| Sumit Gandhi | 3,333 | 33.33 |
| Manish Gandhi | 3,333 | 33.33 |
| Total | 10,000 | 100.00 |

Financial Performance:

As NMEPL was incorporated on February 4, 2009, hence no financial results are available.

NMEPL is not listed on any of the stock exchanges in India or abroad and has not made any public /rights issue of its shares since incorporation.

NMEPL does not fall under the definition of a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 and no winding up proceedings have been initiated against it.

II. Proprietary Concerns

ASIAN BUSINESS EXHIBITIONS AND CONFERENCES

Asian Business Exhibitions and Conferences is a proprietary concern of our promoter Sumit Gandhi having its address at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri – West, Mumbai - 400 053. The proprietary concern is in the business of organizing exhibitions / events.

The business of the proprietary concern was transferred vide a business purchase agreement dated May 01, 2007 to our Company. Sumit Gandhi, has entered into a business non compete agreement dated January 22, 2010 with our Company, whereby he will not conduct similar business. As on date the proprietary concern does not conduct any significant business.

Financial Performance

The financial results of the proprietary concern for the last three financial years are as follows:

| Particulars | (Rs. in lacs) | | |
|----------------------|---------------|----------------|----------------|
| | Fiscal 2007* | Fiscal 2008 ** | Fiscal 2009 ** |
| Total Income | 387.61 | 32.02 | Nil |
| Net Profit/ (loss) | 13.65 | 19.31 | Nil |
| Proprietor's Capital | 20.46 | 42.11 | 42.11 |

*Audited

** Unaudited

INDIAN EXHIBITIONS & CONFERENCES

Indian Exhibitions & Conferences is a proprietary concern of Manish Gandhi having its address at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri – West, Mumbai – 400 053. The proprietary concern is in the business of organizing exhibitions and conferences.

The business of the proprietary concern was transferred vide a business purchase agreement dated May 01, 2007 to our Company. Manish Gandhi, has entered into a business non compete agreement dated January 22, 2010 with our Company, whereby he will not conduct similar business. As on date the proprietary concern does not conduct any significant business.

Financial Performance

The financial results of the proprietary concern for the last three financial years are as follows:

| Particulars | (Rs. in lacs) | | |
|----------------------|---------------|----------------|----------------|
| | Fiscal 2007* | Fiscal 2008 ** | Fiscal 2009 ** |
| Total Income | 506.90 | 20.00 | Nil |
| Net Profit/ (loss) | 28.47 | 4.74 | Nil |
| Proprietor's Capital | 21.24 | 27.68 | 27.68 |

*Audited

** Unaudited

MEDIA ELEVEN

Media Eleven is a proprietary concern of Satinder Pal Kaur having its address at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri – West, Mumbai – 400 053. The proprietary concern is in the business of organizing exhibitions and print media advertising.

The business of the proprietary concern was transferred vide a business purchase agreement dated May 01, 2007 to our Company. Satinder Pal Kaur, has entered into a business non compete agreement dated January

22, 2010 with our Company, whereby he will not conduct similar business. As on date the proprietary concern does not conduct any significant business.

Financial Performance

The financial results of the proprietary concern for the last three financial years are as follows:

| Particulars | (Rs. in lacs) | | |
|----------------------|---------------|---------------|----------------|
| | Fiscal 2007* | Fiscal 2008 * | Fiscal 2009 ** |
| Total Income | 524.09 | 306.70 | Nil |
| Net Profit/ (loss) | 26.25 | 52.98 | Nil |
| Proprietor's Capital | 23.24 | 79.39 | 79.39 |

*Audited

** Unaudited

OIL ASIA JOURNAL

Oil Asia Journal is a proprietary concern of Surendra Gandhi having its address at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri – West, Mumbai – 400 053. The proprietary concern was primarily in the business of publication of magazine named “Oil Asia”. As on date the proprietary concern is not involved in any significant printing and publishing activities related to exhibition business.

Surendra Gandhi, has entered into a business non compete agreement dated January 22, 2010 with our Company, whereby he will not conduct similar business.

Financial Performance

The financial results of the proprietary concern for the last three financial years are as follows:

| Particulars | (Rs. in lacs) | | |
|----------------------|---------------|----------------|----------------|
| | Fiscal 2007** | Fiscal 2008 ** | Fiscal 2009 ** |
| Total Income | 39.35 | Nil | Nil |
| Net Profit/ (loss) | 9.41 | Nil | Nil |
| Proprietor's Capital | 25.62 | 25.62 | 25.62 |

**Unaudited

OIL ASIA JOURNAL (SYMPOSIUM DIVISION)

Oil Asia Journal (Symposium Division) is a proprietary concern of Surendra Mohan Singh Gandhi HUF having its address at 530, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri – West, Mumbai - 400 053. The proprietary concern is in the business of organizing events and conferences. As on date the proprietary concern does not conduct any significant business.

Surendra Mohan Singh Gandhi HUF, has entered into a business non compete agreement dated January 22, 2010 with our Company, whereby it will not conduct similar business.

Financial Performance

The financial results of the proprietary concern for the last three financial years are as follows:

| Particulars | (Rs. in lacs) | | |
|----------------------|---------------|----------------|----------------|
| | Fiscal 2007* | Fiscal 2008 ** | Fiscal 2009 ** |
| Total Income | 99.63 | Nil | Nil |
| Net Profit/ (loss) | 10.69 | Nil | Nil |
| Proprietor's Capital | 17.57 | 17.57 | 17.57 |

*Audited

**Unaudited

III. Hindu Undivided Family

Surendra Mohan Singh Gandhi HUF

Surendra Gandhi is the Karta of Surendra Mohan Singh Gandhi HUF

Nature and Interest of the Promoter in HUF

Members of the HUF are Surendra Gandhi, Satinder Pal Kaur, Sumit Gandhi, Manish Gandhi, Bulbeer, Kaur, Mandeep Gandhi, Abhishek Gandhi, Aryan Gandhi, Eishita Gandhi and Adith Gandhi.

Surendra Mohan Singh Gandhi HUF, has entered into a business non compete agreement dated January 22, 2010 with our Company, whereby it will not conduct similar business.

Surendra Mohan Singh Gandhi HUF is the proprietor of Oil Asia Journal (Symposium Division) and currently does not conduct any other business.

Financial Performance

The financial results of the HUF for the last three financial years are as follows:

| Particulars | <i>(Rs. in lacs)</i> | | |
|----------------------|----------------------|----------------|----------------|
| | Fiscal 2007* | Fiscal 2008 ** | Fiscal 2009 ** |
| Total Income | 99.63 | 4.95 | Nil |
| Net Profit/ (loss) | 10.69 | 4.95 | Nil |
| Proprietor's Capital | 17.57 | 17.44 | 14.20 |

*Audited

**Unaudited

Details of Companies / Firms from which Promoters have disassociated

During the last three years, our Promoters have not disassociated themselves from any companies / partnership firms or any other entity.

Details of group companies whose names have been struck off from RoCs

None of our Promoter Group Entities have been struck off the record of Registrar of Companies as "defunct companies".

Other Confirmations

None of our Promoter Group Entities have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1995 and no winding up proceedings have been initiated against them.

Further, our Promoter Group Entities have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or any other authorities.

Additionally, none of the Promoter Group Entities have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

None of our Promoter Group Entities have come out with any public issues / rights issues in the last three years. Further, none of our aforesaid Promoter Group Entities are listed on any stock exchanges.

Litigation

For details of relating to the legal proceeding involving our Promoter Group Entities, refer chapter titled "*Outstanding Litigation, Material Developments and Other Disclosures*" beginning on page 201 of the Draft Red Herring prospectus.

Common Pursuits / Conflict of Interest

Except as stated below, none of our Promoter/ Promoter Group Entities are engaged in the same line of business as that of our Company and our Subsidiary. Further, our Promoter Group Entities namely, New Media 29 Events Private Limited, Asian Business Exhibitions and Conferences (proprietary concern of Sumit Gandhi), Indian Exhibitions & Conferences (proprietary concern of Manish Gandhi) and Media Eleven (proprietary concern of Satinder Pal Kaur) are engaged in the same line of business as that of our Company and our Subsidiary.

Our Company has entered into separate Business Non Compete Agreements all dated January 22, 2010, with New Media 29 Events Private Limited, Surendra Gandhi, Satinder Pal Kaur, Sumit Gandhi, Manish Gandhi and Surendra Mohan Singh Gandhi HUF, (encompassing their proprietary concerns as mentioned above) on account of the common pursuit arising out of similar business operations between them and our Company / Subsidiary.

For details on the Business Non Compete Agreements, refer the chapter titled "*History and Other Corporate Matters*" beginning on page 99 of the Draft Red Herring Prospectus.

Related Party Transactions

For details of our Related Party Transactions, refer "*Annexure - XXII*" titled "*Related Party Transactions*" beginning on page 151 in the section titled "*Financial Statements*" of the Draft Red Herring Prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with the financial statements, the notes and significant accounting policies thereto and the reports thereon, in "Financial Statements" beginning on page 128 of the Draft Red Herring Prospectus. The financial statements are based on Indian GAAP, which differ in certain significant respects from U.S. GAAP and IFRS.

The Company's fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. This section discusses the historical financial information of the Company for the two years ended March 31, 2008 and 2009 and the six month period ended September 30, 2009.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" beginning on page xiv of the Draft Red Herring Prospectus.

Business Overview

Any reference to "We" in this section collectively refers to our Company and Oil Asia Publication Private Limited.

Overview

Our Company is the 'largest domestic organizer' in the Indian exhibition market, having ~6% market share, a portfolio of around 19 exhibitions consisting of ~63 events and spread over 11 verticals. We organize a gamut of exhibitions and events ranging from exhibitions, trade fairs to conferences across India.

(Source: ExhiConEvents, 'India's only Magazine on Exhibitions & Events', VOL – 6, Issue 1, January - 2010)

We organize our own exhibitions and specialize in planning, organising and hosting exhibitions / events from conceptualization to completion. We currently organize a number of exhibitions having pan India presence, including ACETECH, Education Boutique, Education Expo, Education Forum, Property Expo, Realty Expo, Business Spaces, IORS, Glitter, Glamour, Asia IT Expo, AV Revolution.

We own and manage more than 60 Events and industry specific trade shows annually, all over India, for a diverse range of businesses. Our Company and the group have over 15 years of experience in organizing B2B exhibitions of various sizes and scales across India. While our B2B exhibitions cover a broad range of verticals/segments ranging from infrastructure (architecture, construction, building materials), information technology, audio visual products, real estate and property, textiles machinery, printing technology, paper & packaging machinery, as well as safety and fire prevention; our B2C exhibitions are targeted towards the masses and provide a platform to the exhibitors to interact directly with their customers. Our B2C exhibitions cover segments such as real estate, education, high end consumer products (Jewellery, bridal designer wear, fashion wear).

Our core expertise includes:

- Conceptualizing new ideas and themes around which exhibitions can be organized
- Enlisting support and association of relevant trade bodies and industry associations
- Marketing the exhibition to relevant exhibitors (Clients)
- Attracting relevant visitors through adequate publicity and advertisement to make exhibition a success.
- Hosting the exhibition

We publish trade journals and trade guides that support and compliment our exhibition business. ‘Oil Asia’ magazine, published by our 100% subsidiary, Oil Asia Publication Private Limited, is a bi-monthly magazine on oil & gas, petrochemicals, energy and power sector. Oil Asia Journal has been publishing this magazine since the last two decades. Our Company also publishes ‘ABEC Trade Guide’, a B2B focused monthly magazine, which brings exhibition related data on products, trends and other trivia. The publication features articles, which include information on subjects as diverse as jewellery or construction or safety and security products. It also contains a variety of informative advertisements on various products and services.

Our standalone total income for the financial year ended March 31, 2008, March 31, 2009 and six months period ended on September 30, 2009 was Rs. 2,756.79 lacs, Rs. 4,564.28 lacs and Rs. 1,517.12 lacs respectively. Our consolidated total income for the half year ended September 30, 2009 was Rs. 1,623.05 lacs. Our standalone profit after tax for the financial year ended March 31, 2008, March 31, 2009 and six months period ended on September 2009 was Rs. 239.92 lacs, Rs. 496.01 lacs and Rs. 380.41 lacs respectively. Consolidated profit after tax for the half year ended September 30, was Rs. 421.26 lacs.

Key factors affecting our financial condition and our results of operations

Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industry in which we operate;
- Increased competition in this industry;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through this Issue;
- Fluctuations in operating costs;
- Dependence on few key exhibitions;
- Any adverse incident, including natural disaster, outbreak of any pandemic during or before our exhibitions;
- Our ability to maintain and expand our existing exhibitions;
- Our ability to enter into new verticals and setup new exhibition brands;
- Integration of our Company with the targets we intend to acquire from the net proceeds of the Issue;
- Availability of venue space to conduct our exhibitions;
- Our ability to attract and retain qualified personnel;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that we may have impacted our results of operations in the six months periods ended September 30, 2009, Fiscal 2009 and Fiscal 2008 and in some cases, will continue to impact our results of operations. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure. Also refer section titled “*Risk Factors*” beginning on page xiv of the Draft Red Herring Prospectus.

Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountant of India (ICAI) and the provisions of the Companies Act, 1956.

Use of estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statement and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

Significant Accounting Policies**Revenue recognition:**

Income from Exhibition and Events: The Company recognizes its revenue from sale of stall space in exhibition and events. Sale of stall space is also achieved through media insertions in publications. Both these revenues are recognized on accrual basis on completion of event.

Sponsorship income: Additional revenue generated during exhibitions by prominently displaying / associating, names of certain exhibitors in signages, hoardings, banners, flags, etc. during the exhibition for promoting their brands. This income is accounted on accrual basis on completion of the event.

Income from Delegate fees: The said income is earned from delegates attending conferences / events.

Income from entry charges: For certain events entry fees has been charged from certain visitors for visiting exhibitions. It is accounted upon actual receipt of amounts at the exhibition.

Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation. Cost comprises purchase price, duties, levies and any other costs relating to the acquisition and installation of the assets. The gross block of fixed assets is stated at cost of acquisition, including any cost attributable to bringing the assets to their working condition for their intended use. Interest and financing charges on borrowed funds, if any, used to finance the acquisition of fixed assets, till the date the assets are ready for use, are capitalized and included in the cost of the asset.

Depreciation:

Fixed Assets are depreciated under the 'Written Down Value Method' at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions / deletions during the year on the assets.

Intangible Assets:

In accordance with Accounting Standard 26 on Intangible Assets, expenditure on 'Acquisition of Trade Marks' have been amortized over a period of ten years on pro rata basis, based on the Managements estimates of the estimated useful life of the said intangibles on a straight-line basis.

Investments:

In accordance with Accounting Standard 13, Long Term Investments are recorded as long term investments unless they are expected to be sold within one year. Investments in subsidiaries are valued at cost less any provision for impairment.

Foreign Currency Transactions:

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on actual realization has been adjusted to the Profit and Loss Account accordingly.

Impairment of Assets:

As on the Balance sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the Company shall estimate the recoverable amount of the group of assets as a whole, to determine the value of impairment.

Provisions and contingencies:

Provisions are recognized when there is present legal or constructive obligation as a result of a past event and it is more likely than not that an outflow of resources will be required to settle the obligation. Provisions are measured at the management’s best estimate of the outflow required to settle the obligations at the Balance Sheet date.

Taxes on income:

Income tax expense comprises of current income tax, deferred tax and fringe benefits tax.

Current taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961, and is made at the end of each reporting period based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in the future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

Fringe Benefits tax

Provision for fringe benefits tax has been recognized on the basis of interpretations of the relevant provisions of the Income Tax Act, 1961.

Earnings per share (EPS):

Basic EPS is calculated as under:

$$\text{Basic Earnings Per Share:} = \frac{\text{Net Profit/(Loss) for the period attributable to equity shareholder}}{\text{Weighted average number of equity shares outstanding during the period}}$$

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of equity shares outstanding during the period, as adjusted for the issuance of any bonus shares.

Cash and cash equivalents: Cash and cash equivalents for the purpose of the statement of cash flow comprise cash at bank and cash in hand and short term fixed deposits.

Miscellaneous expenditure: As per management policy followed by the company, preliminary expenses are written off to the extent of 1/10th every year.

Components of Income and Expenditure

(Rs. in lacs)

| Particulars | Fiscal 2008 | % of total income | Fiscal 2009 | % of total income | Six months ended September 30, 2009 | % of total income |
|--|-----------------|-------------------|-----------------|-------------------|-------------------------------------|-------------------|
| Income | | | | | | |
| Income from operations | 2,748.81 | 99.71% | 4,514.35 | 98.91% | 1,493.10 | 98.42% |
| Other income | 7.98 | 0.29% | 49.93 | 1.09% | 24.02 | 1.58% |
| Total income | 2,756.79 | 100.00% | 4,564.28 | 100.00% | 1,517.12 | 100.00% |
| Expenditure | | | | | | |
| Cost of operations | 2,048.55 | 74.31% | 3,150.75 | 69.03% | 660.24 | 43.52% |
| Salary expenses | 211.41 | 7.67% | 281.94 | 6.18% | 172.07 | 11.34% |
| Administrative and other expenses | 115.52 | 4.19% | 177.35 | 3.89% | 98.33 | 6.48% |
| Interest and finance charges | 5.98 | 0.22% | 17.19 | 0.38% | 1.69 | 0.11% |
| Miscellaneous expenditure written off | 0.21 | 0.01% | 0.21 | 0.00% | 0.10 | 0.01% |
| Depreciation / Amortisation | 4.62 | 0.17% | 19.31 | 0.42% | 8.40 | 0.55% |
| Total expenditure | 2,386.28 | 86.56% | 3,646.75 | 79.90% | 940.83 | 62.01% |
| Profit before tax, extraordinary and prior period items | 370.51 | 13.44% | 917.53 | 20.10% | 576.29 | 37.99% |
| Extraordinary Losses | - | - | 152.26 | 3.34% | - | - |
| Profit before tax | 370.51 | 13.44% | 765.27 | 16.77% | 576.29 | 37.99% |
| Provision for taxation | | | | | | |
| Income tax | 126.66 | 4.59% | 265.91 | 5.83% | 196.49 | 12.95% |
| Deferred tax liability / (assets) | 1.33 | 0.05% | (0.53) | -0.01% | (0.60) | -0.04% |
| Fringe benefit tax | 2.60 | 0.09% | 3.89 | 0.09% | - | - |
| Restated Net Profit After Tax | 239.92 | 8.70% | 496.01 | 10.87% | 380.41 | 25.07% |

Income

Income from operation

Our income from operation mainly consists of our income from exhibitions and events, sponsorship/promotional fees, entry charges and delegate fees.

The following table shows our income from operation for the Fiscal 2008, Fiscal 2009 and the six month period ended September 30, 2009.

(Rs. in lacs)

| Income from operation | Fiscal 2008 | Fiscal 2009 | Six month period ended September 30, 2009 |
|------------------------------|--------------------|--------------------|--|
| Exhibition and Events | 2,748.81 | 4,482.62 | 1,436.46 |
| Delegate Fees | - | 5.34 | 0.07 |
| Sponsorships | - | 26.39 | 7.55 |
| Entry Fees | - | - | 49.02 |
| Total | 2,748.81 | 4,514.35 | 1,493.10 |

Other Income

Other income primarily comprises of income from stall designing, interest on deposits, forfeited income, rebate, discount, miscellaneous income.

(Rs. in lacs)

| Other income | Fiscal 2008 | Fiscal 2009 | Six month period ended September 30, 2009 |
|----------------------------|--------------------|--------------------|--|
| Stall Designing | - | - | 0.52 |
| Interest on Fixed Deposits | - | 38.80 | 17.89 |
| Other Income | 7.98 | 11.13 | 5.61 |
| Total | 7.98 | 49.93 | 24.02 |

Expenditure

Our total expenditure comprises of cost of conducting Exhibitions, personnel expenses, administrative expenses, financial expenses, depreciation etc.

The following table sets out our expenditure as a percentage of our total income for the periods indicated:

| Expenditures | (Rs. in lacs) | | |
|------------------------------------|-----------------|-----------------|---|
| | Fiscal 2008 | Fiscal 2009 | Six month period ended September 30, 2009 |
| Cost of operation | 2,048.55 | 3,150.75 | 660.24 |
| % of total income | 74.31% | 69.03% | 43.52% |
| Salary Expenses | 211.41 | 281.94 | 172.07 |
| % of total income | 7.67% | 6.18% | 11.34% |
| Administrative and Other Expenses | 115.52 | 177.35 | 98.33 |
| % of total income | 4.19% | 3.89% | 6.48% |
| Interest and finance charges | 5.98 | 17.19 | 1.69 |
| % of total income | 0.22% | 0.38% | 0.11% |
| Miscellaneous expenses written off | 0.21 | 0.21 | 0.10 |
| % of total income | 0.01% | 0.00% | 0.01% |
| Depreciation / Amortisation | 4.62 | 19.31 | 8.40 |
| % of total income | 0.17% | 0.42% | 0.55% |
| Total Expenditure | 2,386.28 | 3,646.75 | 940.83 |
| % of total income | 86.56% | 79.90% | 62.01% |

Cost of operations

Cost of operations expenses primarily consists of expenses incurred in organizing exhibitions and events. They broadly include expenses in relation to operations, sales and marketing expenses i.e. venue rental and media insertion expenses, advertisement / publicity expenses, promotion materials, electricity charges for exhibitions, hostess expenses, security expenses, printing expenses and other charges related to Exhibitions.

Salary expenses

Salary expenses include expenses such as directors remuneration, employee salary, allowances, staff and welfare expenses.

Administrative and other expenses

Administrative and other expenses include expenses such as travelling and conveyance expenses, electricity expenses, communication expenses, recruitment expenses, rent, repairs and maintenance, insurance, motor car expenses, printing and stationery, audit fees, membership and subscriptions, etc.

Interest and finance charges

Financial charges include interest and related expenses incurred by our Company in connection with vehicle loan availed by us.

Miscellaneous expenditure written off

Miscellaneous expenditure written off include expenses incurred by us in the incorporation of our company such as stamp duty and Registrar of Companies fees.

Depreciation/ amortisation

Depreciation is provided using the Written Down Value (WDV) method as per the useful lives of the assets estimated by the management, or at the rates prescribed under Schedule XIV of the Companies Act, whichever is higher. Amortisation relates to the amortisation of our trademarks over a period of time.

Extraordinary losses

Extraordinary losses include expenses that arise from transactions that are clearly distinct from the ordinary activities of our Company and, therefore, are not expected to recur frequently or regularly.

Provisions for taxes

Provisions for taxes comprise current, deferred and fringe benefit tax. Current income tax and Fringe Benefit Tax ("FBT") is measured at the amount expected to be paid to the tax authorities in accordance with the applicable tax laws. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and the reversal of timing differences of earlier years.

Deferred tax is measured based on tax rates and tax laws enacted or substantially enacted at the date of balance sheet. Deferred tax assets are recognized only to the extent there is reasonable certainty the sufficient future taxable income will be available against which such deferred tax assets can be realized.

Restatement

The restated financial statements for Fiscal 2008, 2009 and as at September 30, 2009 have been presented in compliance with paragraph B(1) of Part II of Schedule II to the Companies Act and the relevant SEBI ICDR Regulations. The effect of such restatements is that the previous years' financial statements included in this Draft Red Herring Prospectus have been restated to conform with methods used in preparing the latest financial statements, as well as to conform to any changes in estimates.

The principal adjustments to our restated financial information included adjustments in relation to deferred taxes, amortization of trade marks, income tax, fringe benefit tax etc. Material regroupings were also made in the restated statements of assets and liabilities and summary statement of profits and losses. All of these adjustments are described in "Annexure-IV" Statement of Significant Accounting Policies and Notes to the Standalone Restated Summary Statements beginning on page 134 of the Draft Red Herring Prospectus.

Discussion on Results of Operations

Analysis for the Standalone Restated Summary Statements for the six month period ended September 30, 2009

Income

In the six month period ended September 30, 2009 our revenue was derived predominantly from exhibition and events. Our total income in the six month period ended September 30, 2009 was Rs. 1,517.12 lacs.

Income from operations

Income from organizing exhibitions and events in the six month period ended September 30, 2009 was Rs. 1,493.10 lacs. This primarily consisted of business from exhibitions, entry charges, delegate fees sponsorship/promotional charges.

Other Income

Other income in the six month period ended September 30, 2009 was Rs. 24.02 lacs. This primarily consisted of interest from fixed deposits with scheduled banks.

Expenditure

Our total expenditure in the six month period ended September 30, 2009 was Rs. 940.83 lacs. This primarily consisted of expenses incurred in relation to organizing exhibitions and events, salaries and directors remuneration, sales and marketing expenses, and other administrative expenses.

As a percentage of our total income, our total expenditure in the six month period ended September 30, 2009 was 62.01%.

Cost of operations

Our cost of operations in the six month period ended September 30, 2009 were Rs. 660.24 lacs, which was 43.52% of our total income. This primarily consisted expenses related to venue rental charges amounting to Rs 188.53 lacs, media insertion expenses, exhibition expenses and other direct expenses.

Salary expenses

Our salary expenses for the period ended September 30, 2009 were Rs. 172.07 lacs, which was 11.34% of our total income. This primarily consisted expenses related to employee salaries, benefits and director remunerations.

Administrative and other expenses

Our administrative and other expenses in the six month period ended September 30, 2009 were Rs. 98.33 lacs amounting to 6.48% of our total income. This primarily consisted expenses related to travelling and conveyance expenses, electricity expenses, recruitment expenses, rent, lease rental charges, repairs and maintenance, insurance, printing and stationery etc.

Interest and finance charges

Our interest and finance charges in the six month period ended September 30, 2009 were Rs. 1.69 lacs. This primarily consisted of payment of interest on vehicle loan.

Miscellaneous expenses

For the six month period ended September 30, 2009 miscellaneous expenses written off were 0.10 lacs.

Depreciation / amortisation

Our depreciation / amortisation expenses in the six month period ended September 30, 2009 was Rs. 8.40 lacs for depreciation of fixed assets such as vehicle, computers, furniture and fixtures, trademarks.

Profit before taxation, extraordinary and prior period items

Due to the factors discussed above, our profit before taxation, extraordinary and prior period items in the six month period ended September 30, 2009 was Rs. 576.29 lacs, which was 37.99% of our total income.

Extraordinary Losses

For the six month period ended September 30, 2009, there were no extraordinary losses in our Company.

Provision for taxes

There was a direct tax provision of Rs. 196.49 lacs during six month period ended September 30, 2009.

Restated Net Profit After Tax,

The net profit after restatement adjustment during the six months ended September 30, 2009 amounted to Rs. 380.41 lacs i.e. 25.07%. The net profit after restatement adjustment increased by Rs. 0.59 lacs primarily by restatement of deferred tax and interest on FBT.

Comparison of Fiscal 2009 vis-à-vis Fiscal 2008

Income

In Fiscal 2009 our revenue was derived predominantly from organizing exhibitions and events, our total income increased by 65.56% to Rs. 4,564.28 lacs in Fiscal 2009 from Rs. 2,756.79 lacs in Fiscal 2008.

Income from operation

In Fiscal 2009, our income from operation increased by 64.23% from Rs. 4,514.35 lacs to Rs. 2,748.81 lacs due to increase in size of our exhibitions and events, addition of new cities, more business from existing customers, addition of new exhibitors.

Other Income

Other income, increased to Rs. 49.93 lacs in Fiscal 2009 from Rs. 7.98 lacs in Fiscal 2008. This increase was primarily due to interest earned on fixed deposits with scheduled banks.

Expenditure

Our total expenditure increased by 52.82% to Rs. 3,646.75 lacs in Fiscal 2009 from Rs. 2,386.28 lacs in Fiscal 2008. This was principally due to an increase in salary expenses and cost of operations, as described below. However, as a percentage of total income, total expenditure declined to 79.90% in Fiscal 2009 from 86.56% in Fiscal 2008, resulting in an improvement in net margin.

Cost of operations

Cost of operations increased by 53.80% to Rs. 3,150.75 lacs in Fiscal 2009 from Rs. 2,048.55 lacs in Fiscal 2008. However, due to economies of scale, total expenditure as a percentage of total income, declined to 69.03% in Fiscal 2009 from 74.31% in Fiscal 2008. The overall increase in operating expenses in Fiscal 2009 was principally due to increase in venue rental charges and Exhibition expenses.

Salary expenses

Our personnel expenses increased by 33.36% to Rs. 281.94 lacs in Fiscal 2009 from Rs. 211.41 lacs in Fiscal 2008. However, as a percentage of total income, salary expenses decreased to 6.18% in Fiscal 2009 from 7.67% in Fiscal 2008.

Administrative and other expenses

Our administrative and other expenses increased by 53.53% to Rs. 177.35 lacs in Fiscal 2009 from Rs. 115.52 lacs in Fiscal 2008. The overall increase in operating expenses in Fiscal 2009 was principally due to the increase in printing and stationery, rent rates and taxes, motor car expenses.

However, as a percentage of total income, administrative and other expenses decreased to 3.89% in Fiscal 2009 from 4.19% in Fiscal 2008.

Interest and finance charges

Our interest and finance charges increased by 187.53% to Rs. 17.19 lacs in Fiscal 2009 from Rs. 5.98 lacs in Fiscal 2008. This increase was primarily due to the interest on income tax amounting to Rs. 13.49 lacs paid during Fiscal 2008.

Miscellaneous expenses

For both Fiscal 2008 and Fiscal 2009, miscellaneous expenses written off were 0.21 lacs.

Depreciation / amortisation

Depreciation / amortisation increased by 318.24% to Rs. 19.31 lacs in Fiscal 2009 from Rs. 4.62 lacs in Fiscal 2008. This increase was due to the capitalization of assets acquired in Fiscal 2009, primarily our vehicle, computers, furnitures and fittings and trademarks. As a percentage of total income, depreciation was 0.42% in Fiscal 2009 in comparison to 0.17% in Fiscal 2008.

Profit before taxation, extraordinary and prior period items

Due to the factors discussed above, our profit before taxation, extraordinary and prior period items increased by 147.64% to Rs. 917.53 lacs in Fiscal 2009 from 370.51 lacs in Fiscal 2008. Profit before taxation, extraordinary and prior period items in Fiscal 2009 was 20.10% of our total income, higher as compared to 13.44% in Fiscal 2008.

Extraordinary Losses

Our Company had an extraordinary loss of 152.26 lacs in Fiscal 2009. This was primarily resulted from trading in equity derivatives.

Provision for taxes

The provision for taxes for Fiscal 2009 were Rs. 269.26 lacs. The income tax provision for Fiscal 2009 amounted to Rs. 265.91 lacs as against Rs. 126.66 lacs in Fiscal 2008. The provision made for deferred tax for Fiscal 2009 was Rs. (0.53) lacs as against Rs. 1.33 lacs for Fiscal 2008. We made a provision of Rs. 3.89 lacs during Fiscal 2009 as compared to Rs. 2.60 lacs in Fiscal 2008 towards fringe benefit tax.

Restated Net Profit After Tax

The net profit after restatement adjustment for the Fiscal 2009 amounted to Rs. 496.01 lacs as against Rs. 239.92 lacs in Fiscal 2008. In Fiscal 2009, the net profit after restatement adjustment decreased by Rs. 10.23 lacs primarily by restatement of interest on income tax, fringe benefit tax, deferred tax and professional tax adjustment. In Fiscal 2008, the net profit after restatement adjustment decreased by Rs. 10.33 lacs principally by restatement of amortisation of trademarks, interest on income tax, fringe benefit tax, deferred tax and profession tax adjustment. As percentage of total income, net profit after restatement adjustment in Fiscal 2009 was 10.87% as compared to 8.70% in Fiscal 2008.

Liquidity and capital resources

We maintain cash balances to fund the daily cash requirements of our business. As of September 30, 2009, we had cash and cash equivalents of Rs. 1,417.39 lacs. Cash and cash equivalents consist of cash in hand, fixed deposits and balance in current accounts with scheduled banks. Our funding requirements for our working capital and other requirements have been financed primarily through funds generated from our operations. Additionally, we also receive deposits from events exhibitors well in advance. As at September 30, 2009 and March 31, 2009, our secured loans totalled Rs. 33.01 lacs and Rs. 29.77 lacs.

Cash Flows

The table below summarizes our Company's standalone cash flow statements:

Rs. in lacs

| Particulars | Year ended March 31, 2008 | Year ended March 31, 2009 | Six months ended September 30, 2009 |
|---|--|--|--|
| Opening cash and cash equivalents | - | (59.67) | 485.00 |
| Net cash from/(used in) operating activities (A) | (116.65) | 527.45 | 944.34 |
| Net Cash from/(used in) investing activities (B) | (43.02) | (12.38) | (7.02) |
| Net Cash from/(used in) financing activities (C) | 100.00 | 29.60 | (4.92) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (59.67) | 544.67 | 932.39 |
| Closing cash and cash equivalents | (59.67) | 485.00 | 1,417.39 |

Net cash from/ (used in) operating activities

Our net cash generated from operating activities is principally used for operating expenses, salary expenses, administrative and other expenses.

During the six months ended September 30, 2009, net cash generated from operating activities was Rs. 944.34 lacs. Profit before tax and extraordinary items was Rs. 576.29 lacs, which was adjusted by Rs. 8.4 lacs for depreciation/ amortization, Rs. 21.73 lacs for interest income Rs. 2.22 lacs for interest expense and 0.10 lacs for miscellaneous expenses . Changes in working capital that had a current period net cash flow impact of Rs. 598.77 lacs consisted mainly of an increase in sundry debtors of Rs. 202.67 lacs, a decrease in loans and advances of Rs. 50.43 lacs and increase in creditors and current liabilities of Rs. 751.01 lacs.

In Fiscal 2009, net cash generated from operating activities was Rs. 527.45 lacs. Profit before tax and extraordinary items was Rs. 917.53 lacs, which was adjusted by Rs. 19.31 lacs for depreciation/ amortization, Rs. 152.26 lacs for extraordinary items, Rs. 38.80 lacs for interest income, 3.41 lacs for interest expense and 0.21 lacs for miscellaneous expenses. Changes in working capital that had a current period net cash flow impact of Rs. 51.30 lacs consisted mainly of decrease in sundry debtors of Rs. 50.02 lacs, an increase in loans and advances of Rs. 228.40 lacs and increase in creditors and other liabilities of Rs. 127.07 lacs.

In Fiscal 2008, net cash used in operating activities was Rs. 116.65 lacs. Profit before tax and extraordinary items Rs. 370.51 lacs, which was adjusted by Rs. 4.62 lacs for depreciation/ amortization and 0.21 lacs for miscellaneous expenses. Changes in working capital that had a current period cash flow impact of Rs. 380.25 lacs consisted mainly of an increase in sundry debtors of Rs. 220.39 lacs, an increase in loans and advances of Rs. 662.93 lacs, an increase in sundry creditors and other liabilities and provisions of Rs. 505.16 lacs and Rs. 2.08 lacs for miscellaneous expenditure incurred.

Net cash generated from / (used in) Investing activities

During the six months ended September 30, 2009, our net cash used in investing activities was Rs. 7.02 lacs. This reflected expenditure on fixed assets of Rs. 1.55 lacs and fresh investments of Rs. 27.20 lacs which mostly was offset by interest income of Rs. 21.73 lacs.

In Fiscal 2009, our net cash used in investing activities was Rs. 12.38 lacs. This reflected expenditure on fixed assets of Rs. 53.18 lacs and fresh investments of Rs. 300 which was partially offset by proceeds from the sale of fixed assets of Rs. 2.00 lacs and interest income of Rs. 38.80 lacs.

In Fiscal 2008, our net cash used in investing activities was Rs. 43.02 lacs. This reflected expenditures on fixed assets of Rs. 43.02 lacs.

Net Cash from/ (used in) financing activities

During the six months ended September 30, 2009, our net cash used in financing activities was Rs. 4.92 lacs, which mainly consisted payments of borrowings Rs. 3.23 lacs and interest expense of Rs. 1.69 lacs.

In Fiscal 2009, our net cash from financing activities was Rs. 29.60 lacs, which mainly comprised proceeds from secured borrowings of Rs. 37.80 lacs, which was partly offset by repayment of borrowings of Rs. 4.79 lacs and interest expense of Rs. 3.41 lacs.

In Fiscal 2008, our net cash from financing activities was Rs. 100.00 lacs, which comprised proceeds from issuance of shares.

Indebtedness

The following table sets forth our repayment obligations under the terms of our secured indebtedness as of September 30, 2009.

| Particulars | <i>Rs. in lacs</i> Amount outstanding (including related current liability) | | | |
|--------------------|---|-----------------------------|---|-----------------------------|
| | As on 31.03.2009 | As on 30.09.2009 | Installment amount per month | Rate of Interest |
| Vehicle Loan | 33.01 | 29.77 | 0.82 | 11.32% |

Contingent Liabilities

The following table sets forth contingent liabilities of the Company not provided for, on a standalone basis as at Six months ended on September 30, 2009, March 31, 2009 and March 31, 2008:

| Particulars | <i>Rs. in lacs</i> | | |
|--|------------------------|------------------------|--|
| | Fiscal 2008 | Fiscal 2009 | As at six month ended September 30 , 2009 |
| Entertainment Tax, (Subjudice Matter) | - | 6.28 | 6.28 |
| Claims against the company not considered as debts, (Subjudice Matter) | - | 14.82 | 16.91 |

Off-balance sheet liabilities

We do not have any material off-balance sheet arrangements.

Analysis of our consolidated financials for the six month period ended September 30, 2009

The Consolidated Financials Statements relates to Asian Business Exhibition & Conferences Limited (hereinafter referred to as “the parent company” and its 100% subsidiary, Oil Asia Publication Private Limited (hereinafter referred to as “the subsidiary company” and hereinafter collectively both the parent and subsidiary company referred to as “the companies”).

The Consolidated financials statements have been prepared on the following basis:

- The financial statements of the parent company and its subsidiary company have been consolidated on a line by line basis by adding together the book values of the items like assets, liabilities, income and expenses.
- The excess/deficit (as on the date of acquisition) of the Company's investment cost over the subsidiary's net worth is recognized as capital reserve.
- The consolidated financials statements are prepared after fully eliminating intra parent – 100% subsidiary balances and transactions.
- The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- There are no differences in reporting dates within the parent and subsidiary.

Consolidated summary statement of profit and loss account, as restated

Rs. in lacs

| Particulars | For six month ended on September 30, 2009 |
|---|--|
| INCOME | |
| Income from operations | 1,599.03 |
| Other income | 24.02 |
| | 1,623.05 |
| EXPENDITURE | |
| Cost of operations | 700.58 |
| Salary expense | 177.23 |
| Administrative and other expenses | 98.92 |
| Interest and finance charges | 2.09 |
| Miscellaneous Expenditure written off | 0.17 |
| Depreciation / Amortisation | 8.48 |
| | Profit before tax and prior period items 635.60 |
| Provision for taxation | |
| - Income tax | 214.92 |
| - Deferred tax liability(assets) | (0.58) |
| | Restated net profit before minority interest 421.26 |
| Less: Restated profit transferred to minority interest | - |
| | Restated net profit after minority interest 421.26 |

Income

In the six month period ended September 30, 2009 our revenue was derived predominantly from exhibitions and events organization. Our total income in the six month period ended September 30, 2009 was Rs. 1,623.05 lacs.

Income from operations

Income from organizing exhibitions and events in the six month period ended September 30, 2009 was Rs. 1,599.03 lacs. This primarily consisted of business from exhibitions, entry fees, delegate fees sponsorship/promotional charges.

Other Income

Other income in the six month period ended September 30, 2009 was Rs. 24.02 lacs. This primarily consisted of interest from fixed deposits.

Expenditure

Our total expenditure in the six month period ended September 30, 2009 was Rs. 987.45 lacs. This primarily consist of expenses incurred in relation to operations, employee salaries, sales and marketing expenses, and other administrative expenses.

As a percentage of our total income, our total expenditure in the six month period ended September 30, 2009 was 60.84%.

Cost of operations

Our cost of operations in the six month period ended September 30, 2009 were Rs. 700.58 lacs, 43.16% of our total income. This primarily consisted expenses related to venue rental charges, media insertion expenses, exhibition expenses and other direct expenses.

Salary expenses

Our salary expenses for the period ended September 30, 2009 were Rs. 177.23 lacs, which was 10.92% of our total income. This primarily consisted expenses related to employee salaries, benefits and director remunerations.

Administrative and other expenses

Our administrative and other expenses in the six month period ended September 30, 2009 were Rs. 98.92 lacs. This primarily consisted expenses related to travelling and conveyance expenses, electricity expenses, recruitment expenses, rent, lease rental charges, repairs and maintenance, insurance, printing and stationery etc.

As a percentage of our total income, our cost of operations in the six month period ended September 30, 2009 was 6.09%.

Interest and finance charges

Our interest and finance charges in the six month period ended September 30, 2009 were Rs. 2.09 lacs. This primarily consisted of payment of interest on vehicle loan.

Depreciation / amortisation

Our depreciation / amortisation expenses in the six month period ended September 30, 2009 were Rs. 8.48 lacs. The primary factors affecting our depreciation expenses were capitalisation of fixed assets such as vehicle, computers, furniture and fixtures, trademarks.

Profit before taxation, extraordinary and prior period items

Due to the factors discussed above, our profit before taxation, extraordinary and prior period items in the six month period ended September 30, 2009 was Rs. 635.60, which was 39.16% of our total income.

Extraordinary Losses

For the six month period ended September 30, 2009, there were no extraordinary losses in our Company.

Provision for taxes

There was a direct tax provision of Rs. 214.92 lacs during six month period ended September 30, 2009.

Net profit, before restatement adjustments

Due to the above reasons our net profit before restatement adjustments in the six month period ended September 30, 2009 was Rs. 420.68 lacs.

Net profit, restated

The net profit after restatement adjustment during the six months ended September 30, 2009 amounted to Rs. 421.26 lacs. The net profit after restatement adjustment increased by Rs. 0.59 lacs primarily by restatement of deferred tax and interest on FBT.

OTHER INDUSTRY AND COMPANY SPECIFIC INFORMATION

Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during last two fiscal years, except as disclosed as extraordinary items in this section.

Significant economic changes that materially affected or are likely to affect income from continuing operations

Apart from the factors discussed in “*Key Factors Affecting our Financial Condition and our Results of Operations*” beginning on page 184 of the Draft Red Herring Prospectus and risks as disclosed under section titled “*Risk Factors*” beginning on page xiv in the Draft Red Herring Prospectus, to the best of our knowledge and opinion there are no other economic changes that have had or are likely to affect income from continuing operations.

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 factors discussed in “*Key Factors Affecting our Financial Condition and our Results of Operations*” beginning on page 184 of the draft Red Herring prospectus and risks as disclosed under heading “*Risk Factors*” beginning on page xiv in the Draft Red Herring Prospectus, to the best of our knowledge and 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.

Significant Regulatory Changes

Except as described in the section titled “*Key Industry Regulations and Policies*” beginning on page 96 of the Draft Red Herring Prospectus, there have been no significant regulatory changes that could affect our income from continuing operations.

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.

Except as otherwise stated in the Draft Red Herring Prospectus, in our opinion there are no such known changes in relationship between costs and revenues.

Status of any publicly announced new products or business segment.

Our Company has not publicly announced any new products or segments. For further details on our business strategy, refer paragraph titled “*Business Strategy*” beginning on page 75 in the chapter “*Business Overview*” of the Draft Red Herring Prospectus.

The extent to which the business is seasonal

Our business is seasonal in nature as in significant number of our exhibitions take place in second and third quarter of the financial year.

Any significant dependence on a single or few suppliers or customers

Currently, we procure our services, materials from many suppliers, with no significant dependence on any major supplier. Our top ten suppliers contributed approximately 64.59% of our cost of operations Fiscal 2009. Similarly, there is no significant dependence on any single customers. Our top ten customers contributed approximately 17.33% of our total income for Fiscal 2009.

Competitive Conditions

We operate in a fragmented and competitive industry. As an exhibition organiser, we face competition from trade bodies/associations, domestic and international players present in the Indian exhibition market. For details of competitive conditions, refer paragraph titled “*Our Competitors*” beginning on page 88 of the Draft Red Herring Prospectus.

Significant developments subsequent after the balance sheet date

There have been no material changes or significant developments after September 30, 2009

SECTION VII-LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES

Except as described below, there are no outstanding litigations suits, civil or criminal prosecuting or proceedings against our Company, our Directors, our Promoters and our Promoter Group Entities before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non payment of statutory dues, overdues to banks/ financial institutions, defaults against banks/ financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoters and our Promoter Group Entities, except the following:

This chapter has been divided into nine parts:

1. Contingent Liability
2. Outstanding litigations involving our Company
3. Outstanding litigations involving our Promoters
4. Outstanding litigations involving our Directors
5. Outstanding litigations involving our Subsidiary
6. Outstanding litigations involving our Promoter Group Entities
7. Penalties imposed in past cases for the last five years
 - a) Our Company and its Subsidiary
 - b) Our Directors and Promoters
 - c) Promoter Group Entities
8. Amounts owed to small scale undertakings
9. Material Developments

1. Contingent liability

| Particulars | Fiscal 2009 Standalone Financials | As at six month ended September 30 , 2009 Standalone and Consolidated Financials |
|--|--------------------------------------|--|
| Entertainment Tax (Subjudice Matter) | 6.28 | 6.28 |
| Claims against the company not considered as debts (Subjudice Matter) | 14.82 | 16.91 |

(Rs. in lacs)

2. Outstanding litigations involving Our Company

A. Cases filed against our Company

Civil Cases

Suit No. 183 of 2009 filed by Pioneer Publicity Corporation Private Limited (Plaintiff) against our Company, before the Additional District Judge, Tis Hazari Court, Delhi.

A suit for recovery of monies, being Suit No. 183 of 2009 has been filed before the Additional District Judge, Tis Hazari Court, Delhi under the provisions of XXXVII of Code of Civil Procedure, 1908, by Pioneer Publicity Corporation Private Limited (Plaintiff) against our Company. The Plaintiff has filed the suit on the alleged ground that our Company is liable to pay Rs. 9,99,130 to the Plaintiff along with interest towards display charges of advertisements on back panels of 300 single decker buses of BEST for a 15 day period from October 14, 2008 to October

28, 2008. Further, an Application under Order XXXVII, Rule 3 read with section 151 of Code of Civil Procedure, 1908 (“Application”) was filed by our Company for appearance on the basis of the Summons dated May 20, 2009, issued to our Company by Additional District and Sessions Judge, Delhi. The Plaintiff, filed a reply to the said Application whereby denying the contents of the Application so filed and therefore prayed for the dismissal of the same. Thereafter, an application was filed by the Plaintiff for issue of summons for judgement to our Company. Summons for Judgement dated July 22, 2009, under Order 37 of Rule 3 Code of Civil Procedure, 1908 were issued by Additional District and Sessions Judge, Delhi to our Company. Our Company has filed an application under Order XXXVII Rule 3(5) read with section 151 of the Code of Civil procedure, 1908, before the Additional District Judge, Delhi for leave to contest and praying for grant of unconditional leave and dismissal of the suit for contravention of provisions of Order 37 of the Civil Procedure Code. The matter is still pending before the Additional District Judge, Tis Hazari Court, Delhi.

Company Cases

Company Petition No.505 of 2009 filed by Sanjeev Manmohan Gupta, Sole Proprietary of M/s Global Advertiser (“Petitioner”) against our Company, before the High Court of Bombay (“Petition”).

The said petition has been filed by the Petitioner, against our Company under section 433, 434 and 439 of the Companies Act, 1956, alleging payment of Rs. 5,73,549 by our Company to the Petitioner for the work carried on by the Petitioner for our Company. The Petitioner has *inter alia* prayed that (1) the Company be wound up, (2) the official liquidator, High Court, Bombay be appointed as a liquidator of the entire assets, properties, affairs and records of the Company, Further the petitioner prayed that pending the hearing and final disposal of the petition (1) official liquidator, High Court, Bombay be appointed as a provisional liquidator of the entire assets, properties, affairs and records of the Company, (2) Company be restrained by an order and injunction by the honourable Court, from dealing with and/or disposing off and/or parting with possession and/or creating a third party right, title interest in respect of the assets and properties of the Company and that the Petitioners cost be provided for. Thereafter, our Company filed the affidavit in reply denying the allegations made by the Petitioner and stating that the said Petition should be dismissed with cost as the same has been filed with a malafide intention. Further, the Petitioner filed an affidavit in rejoinder of the Petitioner stating that the said Petition is a fit case and hence deserves to get admitted. By an order of the High Court, Bombay, dated November 04, 2009 the said Petition was disposed of and the same was referred to Arbitration. The said matter is now pending with the Arbitration Tribunal, Mumbai.

Potential Litigation

Legal notice dated May 28, 2008 issued to our Company by R. Bhargavan & Associates on behalf of Global Institute of Management Science.

The notice as mentioned above was issued by R. Bhargavan & Associates on behalf of its client Global Institute of Management Science, alleging payment of Rs. 1,18,640 to be made by our Company to Global Institute of Management Science. The said amount was demanded on account of dishonour of cheque on account of “stop payment by the drawer”. The said cheque was issued to Global Institute of Management Science by our Company, as a refund of the participation fee for a stall, which was allotted to Global Institute of Management Science in an exhibition held in Mumbai from April 25, 2008 to April 27, 2008. Our Company, through P. N. Thanawala, Advocate has by its letter dated June 05, 2008 replied to the above notice denying the allegations contained therein. Thereafter there has been no communication. This may give rise to prospective litigation.

Service Tax

Letter bearing no.ST/Dn-IV/Gr-05/ST 3/ABECL/10/423 dated January 19, 2010 issued by Assistant Commissioner of Service Tax, Division IV, Mumbai to our Company in relation to the payment of Service Tax for the period April 2007 to March 2009

The Assistant Commissioner of Service Tax, Division IV, Mumbai, has served a notice to Asian Business Exhibition and Conferences Limited (our "Company") in relation to ST-3 returns for the period April 2007 to March 2009 *inter alia* directing our Company to pay interest for delayed payment of services tax at a rate of 13% per annum, to pay ST-3 return for the period April 2009 to September 2009 which was due on September 25, 2009 along with penalty of Rs 2,000 under section 77 of the Finance Act, 1994 read with Rule 7C of Service Tax Rules, 1994, to pay short payment amount Rs 23,48,074 along with 13% per annum for the half yearly period October 2008 to March 2009. Further it directed our Company to pay service tax electronically as they have provided taxable services above Rs 50 lacs or more during the financial year 2006-2007 to 2008-2009 and to submit copies of various documents in relation to returns for the period from April 2007 to March 2009.

B. Cases filed by our Company

Entertainment Tax

Appeal No. 568 of 2008 filed by our Company ("Appellant") against order of the Additional Collector, Mumbai ("Respondent") Suburban District before the Hon'ble Commissioner (Konkan Division) under section 10A of the Bombay Entertainment Duty Act, 1923 ('Act') .

The above mentioned appeal has been filed by our Company before the Hon'ble Commissioner (Konkan Division) under section 10A of the Bombay Entertainment Duty Act, 1923 against the order of Additional Collector dated March 20, 2009 wherein the Respondent has stated that amount of Rs 1,05,000 deposited by the Appellant be forfeited and the balance amount of Rs 5,27,750/- be recovered from the Appellant as the entertainment tax levied for the exhibition held for Consumer Awareness Programme.

The Appellant, has filed the appeal against the abovementioned order *inter alia* praying grounds that the notices issued by Respondent bearing Nos. AC/MSD/ENT/WS-98/2009 dated January 30, 2009, AC/MSD/ENT/WS-89/2009 dated January 31, 2009 and AC/MSD/KK/KV-831/09 dated February 11, 2009 under the Bombay Entertainments Duty Act, 1923 is bad in law, arbitrary, parochial, malafide and capricious and that the same should be stayed pending the hearing and final disposal of the Writ Petition No. 2142 of 2009, that the Respondent to be directed that it shall not levy any entertainment tax for the exhibition held for Consumer awareness programme.

Further *vide* order dated October 27, 2009 the High Court of Bombay, by way of interim relief stayed the order dated March 20, 2009 and the Respondent no.1 was also directed to dispose off the said Appeal.

Thereafter *vide* order dated December 31, 2009 the Hon'ble Commissioner partly allowed the appeal and set aside the impugned order dated March 20, 2009 of the Additional Collector, Mumbai Suburban , District Mumbai. Further, Hon'ble Commissioner directed to Additional Collector for passing a fresh order as per law after giving sufficient hearing to the Appellant.

The said appeal is pending before the Hon'ble Commissioner (Konkan Division).

Writ Petition

WP No. 2142 of 2009 filed by our Company ('Petitioner') against the Commissioner, Konkan Division ('Respondent No 1') and the Additional Collector, Mumbai Suburban District ('Respondent No 2') in the High Court of Bombay under Article 226 of the Constitution of India.

The writ petition as mentioned above has been filed by our Company in the High Court of Bombay under Article 226 of the Constitution of India against the Respondent No 1 and Respondent No 2 in relation to the alleged entertainment tax levied for the exhibition held for Consumer Awareness Programme on January 31, 2009 till February 02, 2009 at Hotel Taj Lands End, Bandra West, Mumbai.

The Petitioner who had organized the exhibition for Consumer Awareness Programme, has filed the Writ petition *inter alia* on the alleged grounds that:-

- 1) the entertainment tax levied for the exhibition held for Consumer Awareness Programme on January 31, 2009 till February 02, 2009 at Hotel Taj Lands End, Bandra West, Mumbai contravenes the provisions of the Bombay Entertainment Duty Act, 1923;
- 2) the order dated March 20, 2009 and notices by Respondent No.2 bearing Nos. AC/MSD/ENT/WS-98/2009 dated January 30, 2009, AC/MSD/ENT/WS-89/2009 dated January 31, 2009 and AC/MSD/KK/KV-831/09 dated February 11, 2009 under the Bombay Entertainments Duty Act, 1923 is bad in law, arbitrary, parochial, malafide and capricious;
- 3) the calculation of Respondent No.2 of $9000 * 9$ equivalent to 81000 which is multiplied by 31 coming to a figure of Rs. 25,11,000 out of which 25% is charged as entertainment duty amounting to Rs. 6,27,750 is an absurd calculation having no any basis, rational and/or material on record with them, hence the entire action of Respondent Nos.2 is vitiated and per se, malafide;
- 4) that the order dated October 03, 2009 issued by the Respondent no.1 in Appeal no. ENT 568 of 2009, wherein Respondent No.1 refuses to stay the operation of the order dated March 04, 2009 is absurd/ unfound order and erroneous order;

The Petitioner has prayed for the issue to the High Court of a Writ of Mandamus or a writ in the nature of certiorari directing Respondent Nos 1 & 2 respectively:

- (i) to place all material records and papers before this Hon'ble Court and after examining the same, to hold that the issuance of notices by Respondent No.2 bearing Nos. AC/MSD/ENT/WS-98/2009 dated January 30, 2009, AC/MSD/ENT/WS-89/2009 dated January 31, 2009, AC/MSD/KK/KV-831/09 dated February 11, 2009 and order dated March 20, 2009 passed by Respondent No.2 and order dated October 03, 2009, is bad in law, arbitrary, parochial, malafide, capricious and in contravention to the provisions of the Bombay Entertainments Duty Act, 1923; hence the same be quashed;
- (ii) not to levy any entertainment tax for the Exhibition held for Consumer Awareness Programme on January 31, 2009, February 02, 2009 at Hotel Taj Lands End, Bandra, Mumbai as the same does not attract the provisions of the Bombay Entertainments Duty Act, 1923;
- (iii) to quash and set aside the order dated October 03, 2009 passed by Respondent No.1 and direct the Respondent No.1 to hear and dispose off Appeal u/s 10A of the Bombay Entertainment Duty Act, 1923 arising out of order dated March 20, 2009 bearing no. AC/MSD/KK/KV-384/09 on merits;
- (iv) pending the hearing and final disposal of the present Petition directions to be issued to Respondent No.1 and 2 to stay all action and further actions in respect of notices bearing Nos. AC/MSD/ENT/WS-98/2009 dated January 30, 2009, No.AC/MSD/ENT/WS-89/2009 dated

January 31, 2009, No. AC/MSD/KK/KV-831/09 dated February 11, 2009, Order dated March 20, 2009 passed by Respondent No.1 in Appeal No. ENT 568 of 2009, u/s 10A of the Bombay Entertainment Duty Act, 1923 arising out of Order dated March 20, 2009 bearing no. AC/MSD/KK/KV-384/09;

- (v) pending the hearing and final disposal of the present Petition directions to be issued to restrain the Respondents from stopping and/or disrupting Petitioners from holding exhibitions commencing from first week of November starting From November 05, 2009 onwards;

Further the Petitioner has prayed for interim and ad-interim relief's in terms of prayer clauses as mentioned above and cost to be provided for.

Thereafter *vide* order dated October 27, 2009 the High Court of Bombay, by way of interim relief stayed the order dated March 20, 2009 and the Respondent no.1 was also directed to dispose off the Petitioners Appeal No. ENT 568 of 2009.

Criminal

C.C. No. 12427/Ss/2009 filed by our Company against S.G.Enterprises HUF and its incharge Atul Chatwani, before the Metropolitan Magistrate, Andheri, Mumbai.

Our Company has filed the abovementioned criminal complaint against S.G.Enterprises HUF ('S.G.Enterprises') and its incharge Atul Chatwani under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881 for dishonour of cheque issued by S.G. Enterprises in favour of our Company, towards booking space charges in exhibitions amounting to Rs 10,00,000.The matter is currently pending before the Metropolitan Magistrate, Andheri, Mumbai.

C.C. No. 12428/Ss/2009 filed by our Company against Parth Trading & Co Limited ('PTCL') and its Director Atul Chatwani, before the Metropolitan Magistrate, Andheri, Mumbai.

Our Company has filed the abovementioned criminal complaint against Parth Trading & Co Limited ('PTCL') and its Director Atul Chatwani under Section 138,141 and 142 of the Negotiable Instruments Act, 1881 for dishonour of cheque issued by PTCL in favour of our Company, towards booking space charges in exhibitions amounting to Rs 9,30,000.The matter is currently before the Metropolitan Magistrate, Andheri, Mumbai.

Potential Litigation

Legal Notice dated April 22, 2009 issued by our Company to Cowtown Land Development Private Limited.

The abovementioned notice was issued by P. N. Hanvur, Advocate, on behalf of our Company to Cowtown Land Development Private Limited for termination of agreement for sale in respect of a flat in Lodha Aqua, Dahisar stating that our Company could not wait for their repayment for 12 months and that Cowtown Land Development Private Limited shall make the payment to us of Rs. 29,56,043 with interest at the rate of 18% per annum from December 01, 2008. Further, *vide* letter dated May 27, 2009, Ms. Archana Kanekar –Munj, Advocate, High Court, Bombay denied and reiterated the contents of the abovementioned letter. Thereafter, there has been no communication. This may give rise to prospective litigation.

3. Outstanding litigations involving our Promoters

A. Cases filed against our Promoters

Sumit Gandhi

Assessment Year 2008-09

Notice dated September 25, 2009 under section 143 (2) of the Income Tax Act, 1961 has been issued to Sumit Gandhi in connection with the assessment of the Assessment Year 2008-09. Further vide notice under Section 142(1) of Income Tax Act, 1961 dated January 11, 2010, the Deputy Commissioner of Income Tax, Mumbai instructed Sumit Gandhi to furnish information pertaining to the business activities carried out during the previous year 2007-08, along with the copy of the returns filed for the Assessment Year 2008-09.

B. Cases filed by our Promoters

NIL

4. Outstanding litigations involving our Directors

A. Cases filed against our Directors

Except for the details as provided under the head “*Outstanding Litigations involving our Promoters*” as hereinabove, there are no other litigations involving our Directors.

One of our Independent Directors, Padmanabh P. Vora is on the board of National Securities Depository Limited (‘NSDL’). The following order and show cause notices, have been issued to NSDL by SEBI, though the same have not been issued to Padmanabh P. Vora.

SEBI has passed an Order dated December 4, 2008, under section 19 of the Depositories Act, 1996 and Section 11B of the SEBI Act, 1992 in the matter of M/s Rajanarayan Capital Markets Services Limited. The Order was served on National Securities Depository Limited (‘NSDL’) on November 13, 2009. NSDL has preferred an appeal before the Securities Appellate Tribunal (‘SAT’) to expunge the adverse observations contained in the order with respect to NSDL and/or set aside the order. The matter is pending before the SAT for disposal.

SEBI had issued show cause notices to NSDL in 2006 in the matter of IPO investigations and DSQ Software Limited. NSDL submitted its response to the said show cause notices denying the allegations contained in the show cause notices and has also clarified its position to SEBI in the personal hearings. Final orders from SEBI are awaited.

B. Cases filed by our Directors

NIL

5. Outstanding litigations involving our Subsidiary

A. Cases filed against our Subsidiary

NIL

B. Cases filed by our Subsidiary

NIL

6. Outstanding litigations involving our Promoter Group Entities

A. Cases filed against our Promoter Group Entities

NIL

B. Cases filed by our Promoter Group Entities

NIL

7. Penalties imposed in past cases for the last five years

A. Our Company and its Subsidiary

NIL

B. Our Directors and Promoters

NIL

C. Promoter Group Entities

NIL

8. Amounts Owed to small scale undertakings

Outstanding due to Small Scale Industries

NIL

9. Material developments

There have been no material changes or significant development after the September 30, 2009.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Except for pending approvals mentioned under this heading, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. Further, except as mentioned herein below, our Company has not yet applied for any licenses, consents, permissions and approvals for the proposed activities as contained in the chapter titled “*Objects of the Issue*” beginning on page 28 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. GENERAL

1. Certificate of Incorporation issued to our Company, bearing the name “ASIAN BUSINESS eXHIBITION & CONFERENCES LIMITED” dated April 10, 2007 bearing CIN U74900MH2007PLC169832 issued by Assistant Registrar of Companies, Maharashtra, Mumbai.
2. Certificate for commencement of business dated May 01, 2007 issued to our Company by Registrar of Companies, Maharashtra, Mumbai.
3. Registration Certificate of Establishment under Bombay Shops and Establishments Act, 1948 dated May 08, 2008, for our Registered Office and for our office premises situated at Gala No. 427-529, 530-532-605, Laxmi Plaza, Lakshmi Industrial Estate, Link Road, Andheri (w), Mumbai, bearing registration no. 760049742 / COMMERCIAL II issued by the Center Inspector, valid upto December 31, 2010.
4. Registration Certificate of Establishment under Karnataka Shops and Commercial Establishment Act, 1961 dated November 04, 2009, for our branch office situated at No.1003, 10th Floor, ‘B’ Wing, Mittal Tower, M.G. Road, Bangalore bearing registration no. 81/Register No/1068/2009 issued by the Inspector, under the Karnataka Shops and Commercial Establishment Act, 1961 valid upto December 31, 2013.
5. Registration no. MH/PF/APP/212401/558 issued by Regional Provident Fund Commissioner, Mumbai to our Company with effect from April 10, 2007 vide letter dated January 07, 2010 under provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.
6. Our Company’s PAN (Permanent Account Number) under the IT Act is AAGCA2508L.
7. Our Company’s TAN (Tax Deduction Account Number) under the IT Act is MUMA30151C.
8. Our Company’s Service Tax Payer Code under Finance Act, 1994 is AAGCA2508LST001.
9. Professional Tax Registration Certificate no. 27965207059P issued by Sales Tax Department, Profession Tax Division, Mumbai under the provisions of Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.
10. Import Export Code bearing No. 0307010911 dated May 10, 2007 issued to our Company by Ministry of Commerce, Office of Joint Director General of Foreign Trade, Mumbai.
11. Certificate of registration for our magazine ‘ABEC Trade Guide’ bearing number MAHENG/2009/28618 dated August 10, 2009, issued by the Registrar of Newspapers for India in the name of Abhishek Suryakant Shinde (Our full time employee) under the Press and Registration of Books Act, 1867.

II. EVENT BASED

Our Company organizes various exhibitions throughout India. In order to organize the exhibitions there are various permissions/ approvals, which are valid only for the time period from the day of opening of the event/exhibition till the closing of the same, required by our Company to be taken from GoI, State governments and local authorities, including various no-objection certificates to be obtained from various authorities, including certificate from the chief fire officer, municipal corporations, traffic department, collector and pollution control board. All the permissions/ approvals as mentioned above are to be taken for every event specifically and separately. While organizing the exhibitions we need to comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities. Additionally, in order to conduct the exhibitions, our Company, either through the venue holders or on its own, depending upon the arrangements made between the venue holder and our Company, might be required to obtain various approvals, permits and licences from the relevant administrative authorities. The approvals, permits and licenses to be obtained vary on a case by case basis depending upon various factors including the state, city and area in which the exhibition is being organised, type of venue and type of event.

III. APPLICATIONS PENDING APPROVAL

1. Application dated November 20, 2009, made to the Assistant Sub Registrar, RNI, Navi Mumbai by Abhishek Suryakant Shinde (our full time employee) for transfer of the ownership of ABEC Trade Guide in the name of our Company.

SECTION VIII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for This Issue and details of the resolution passed for the Issue

The Issue has been authorised by a resolution of our Board of Directors at its meeting held on September 26, 2009.

Our shareholders have authorised this Issue by a special resolution adopted under Section 81(1A) of the Companies Act, passed at the Extraordinary General Meeting held on September 30, 2009.

Prohibition by SEBI

Our Company, our Directors, our Promoters, other Promoter Group Entities and companies with which our Directors are associated as directors or promoters have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority.

We have not applied for listing of our securities on any stock exchange in the past.

Further, our Promoters and Promoter Group Entities have confirmed that they have not been named as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation is pending against them.

One of our Independent Director, Padmanabh P. Vora is on the board of National Securities Depository Limited (“NSDL”). An order and certain show cause notices have been issued to NSDL by SEBI. For details refer to the chapter “*Outstanding Litigations, Material Developments and Other Disclosures*” beginning on page 201 of the Draft Red Herring Prospectus.

Eligibility for this Issue

Our Company is an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and is, therefore, required to meet the conditions detailed in Regulation 26(2) of the SEBI ICDR Regulations.

Our Company is eligible for the Issue in accordance with Regulation 26(2) of the SEBI ICDR Regulations, which states as follows:

“An issuer not satisfying any of the conditions stipulated in sub-regulation (1) may make an initial public offer if:

(a)(i) the issue is made through the book building process and the issuer undertakes to allot at least fifty per cent of the net offer to public to qualified institutional buyers and to refund full subscription monies if it fails to make allotment to the qualified institutional buyers;

or

(a) (ii) at least fifteen per cent. of the cost of the project is contributed by scheduled commercial banks or public financial institutions, of which not less than ten per cent shall come from the appraisers and the issuer undertakes to allot at least ten per cent of the net offer to public to qualified institutional buyers and to refund full subscription monies if it fails to make the allotment to the qualified institutional buyers;

(b) (i) the minimum post-issue face value capital of the issuer is ten crore rupees;

or

(b) (ii) the issuer undertakes to provide market-making for at least two years from the date of listing of the specified securities, subject to the following:

- (A) *the market makers offer buy and sell quotes for a minimum depth of three hundred specified securities and ensure that the bid-ask spread for their quotes does not, at any time, exceed ten per cent;*
- (B) *the inventory of the market makers, as on the date of allotment of the specified securities, shall be at least five per cent of the proposed issue.”*

The Net Tangible Assets, Monetary Assets, Net Profits (as restated) and Net Worth (as restated) as derived from the Restated Financial Statements, for the years ended March 31, 2009, 2008 and for the period ended September 30, 2009, is set forth below:

| Particulars | <i>(Rs. in lacs)</i> | | | |
|---|-------------------------|-------------------------|-------------------------|---------------------------|
| | 31-Mar-08 Standalone | 31-Mar-09 Standalone | 30-Sep-09 Standalone | 30-Sep-09 Consolidated |
| Net Tangible Assets ⁽¹⁾ | 335.87 | 856.12 | 1,205.52 | 1,272.73 |
| Monetary Assets ⁽²⁾ | (59.67) | 485.00 | 1,417.39 | 1,476.62 |
| Monetary Assets as a % of Net Tangible Assets | (17.77%) | 56.65% | 117.58% | 116.02% |
| Net Worth ⁽³⁾ | 338.05 | 834.27 | 1,214.78 | 1,254.69 |
| Distributable Profits ⁽⁴⁾ | 239.92 | 648.27 | 380.41 | 421.26 |

1. “Net Tangible Assets” mean the sum of fixed assets, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities and long term liabilities) of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.
2. Monetary Assets includes cash and cash equivalent only.
3. Net Worth has been computed as the aggregate of equity share capital and reserves, excluding miscellaneous expenditure not written off, if any.
4. “Restated Distributable Profits” have been calculated in accordance with Section 205 of the Act, as adjusted for restatement adjustments and after excluding extraordinary losses as required under SEBI ICDR Regulations.

Our Company will comply with Regulation 26(2)(a)(i) of the SEBI ICDR Regulations and at least 50% of the Issue is proposed to be allotted to QIBs.

Our Company will comply with the first proviso to Regulation 43(2)(c) of the SEBI ICDR Regulations; accordingly, not less than 15% and 35% of the Issue shall be available for allocation to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received.

Our Company will comply with Regulation 26(2)(b)(i) of the SEBI ICDR Regulations and the post-Issue face value capital of our Company shall be Rs. 1,410.00 lacs which is more than the minimum requirement of Rs. 1,000 lacs.

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 in the Issue shall not be less than 1,000, failing which the entire application monies will be refunded forthwith. In case of delay as specified herein, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

Accordingly, our Company is eligible for the Issue under Regulation 26(2) of the SEBI ICDR Regulations.

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 TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, ANAND RATHI ADVISORS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, ANAND RATHI ADVISORS LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, ANAND RATHI ADVISORS LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 29, 2010 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE CIVIL CASES, TAX MATTERS, DUTIES CASES, CRIMINAL CASES, ETC. AND OTHER MATERIALS MORE PARTICULARLY REFERRED TO IN THE ANNEXURE HERETO IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**
 - a) THE DRAFT RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - b) ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID 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 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 SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTER'S 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 SEBI UNTIL THE DATE COMMENCEMENT OF THE 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 EQUITY SHARES 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 SEBI. 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 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 DRAFT RED HERRING 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 RS. 1000 LACS, THE ALLOTMENT OF EQUITY SHARES IS TO BE MADE COMPULSORILY IN DEMATERIALISED FORM ONLY, PURSUANT TO SECTION 68B OF THE COMPANIES ACT, 1956.
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 THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI, FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Disclaimer from our Company and BRLM

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Book Running Lead Manager 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 and the Book Running Lead Manager 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.

Our Company, the Director and the BRLM accept no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the abovementioned entities and anyone placing reliance on any other source of information, including our website, www.abcindia.biz would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the BRLM and our Company.

Our Company and the BRLM shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres etc.

Caution

Neither our Company nor the Book Running Lead Manager or any other member of the Syndicate is liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

The BRLM and its associates and affiliates may engage in transactions with, and perform services for, our Company and Promoter Group Entities, affiliates or associates of our Company in the ordinary course of business and have engaged, and may in future engage, in the provision of financial services for which they have received, and may in future receive, compensation.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are eligible, Hindu Undivided Families (HUFs), minors applying through their legal / natural guardian, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission, if applicable), trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies, provident funds and pension funds and to permitted Non Residents including Eligible NRIs, FIIs and other eligible foreign investors, provided they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to the 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 the Draft Red Herring Prospectus comes is required to inform himself or her self about and to observe any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public issuing in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for observations and Stock Exchanges. Accordingly, the Equity Shares, represented thereby may not be issued 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 this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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 agrees that such Bidder will not sell or transfer any Equity Shares or create 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 from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer Clause of the Bombay Stock Exchange Limited

As required, a copy of the Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by the BSE to us, 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 National Stock Exchange of India Limited

As required, a copy of the Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing of Prospectus with SEBI and the RoC

A copy of the Draft Red Herring Prospectus has been filed with the Corporation Finance Department of SEBI at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. A copy of the Red Herring Prospectus along with the documents required to be filed under section 60B of the Companies Act would be delivered for registration to the RoC having its address at Everest Building 100, Marine Drive Mumbai – 400 002 Maharashtra India at least three (3) days before the Bid/Issue Opening Date. The final Prospectus would be filed with the Corporate Finance Department of SEBI and the RoC at the respective aforesaid addresses upon closure of the Issue and on finalisation of the Issue Price.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Pursuant to applications made to BSE and NSE, in-principle approval for listing of the equity shares of our Company from BSE and NSE have been received *vide* their letters dated [•] and [•] respectively.

If the permission to deal in and for an official quotation of our Equity Shares is not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest all money received from the Bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it. (i.e. from the date of refusal or within fifteen (15) days from the Bid/Issue Closing Date, whichever is earlier), then our Company, and every Director of our Company who is an officer in default shall, on and from such expiry of eight days, be jointly and severally liable to repay the money with interest at the rate of 15% per annum on the Bid Amount, as prescribed under Section 73 of Companies Act.

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 seven working days of finalisation and adoption of the Basis of Allotment for this Issue.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years.”

Consents

Consents in writing of: our Directors; our Company Secretary and Compliance Officer; our Auditors; Bankers to our Company; Escrow Collection Bank(s)*; Refund Bank(s)*; Syndicate Members*; IPO Grading Agency*; BRLM; the Registrar and the legal advisors to this Issue, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 60 and Section 60B of the Companies Act and such consents have not been withdrawn up to the time of filing of the Draft Red Herring Prospectus with SEBI.

**The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

R. Sanghvi and Co., Chartered Accountants, our Auditors have 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 has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with SEBI.

R. Sanghvi and Co., Chartered Accountants, our Auditors have given their written consent to the inclusion of their report relating to possible tax benefits accruing to our Company and its members in the form and context in which it appears in the Draft Red Herring Prospectus and have not withdrawn such consent up to the time of delivery of the Draft Red Herring Prospectus for registration with SEBI.

Expert Opinion

Except the report of [•] in respect of IPO grading as mentioned in the chapter titled “*General Information*” beginning on page 13 of the Draft Red Herring Prospectus, we have not obtained any expert opinions.

Public Issue Expenses

The expenses for this Issue include Issue management fees, selling commissions, underwriting commission, IPO grading expenses, printing and distribution expenses, legal fees, fee payable to other intermediaries, statutory advertisement expenses and listing fees payable to the Stock Exchanges, amongst others. The estimated Issue expenses are as under:

(Rs. in lacs)

| Activity | Expenses* | As percentage of total expenses | As percentage of total issue size |
|--|-----------|---------------------------------|-----------------------------------|
| Lead management fee and underwriting commissions | [●] | [●] | [●] |
| Advertising and marketing expenses | [●] | [●] | [●] |
| Printing and stationery | [●] | [●] | [●] |
| IPO Grading Fees | [●] | [●] | [●] |
| Registrar's Fees | [●] | [●] | [●] |
| Fees to the Legal Advisors | [●] | [●] | [●] |
| Others | [●] | [●] | [●] |
| Total | [●] | [●] | [●] |

* Will be incorporated after finalisation 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 per the Engagement Letter and the memorandum of understanding dated January 04, 2010 executed between our Company and BRLM, copy of memorandum of understanding is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the memorandum of understanding signed by our Company and the Registrar to the Issue dated December 31, 2009, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

Previous Rights and Public Issues during the Last Five Years

We have not made any previous rights or public issues during the last five years.

Previous Issues of Shares otherwise than for Cash

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

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

Since this is the initial public offering of the Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of our Company since inception.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any public/rights/composite issue during the last three years.

There are no listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act, which have made any public/ rights/ composite issue during the last three years. Our Company has not made any public/ rights/ composite issue during the last three years.

Promise versus Performance – Previous Issues of Company and Entities Promoted by our Promoters.

Our Company has not made any public issue of Equity Shares since its incorporation. None of our Entities Promoted by our Promoters have made any public issues in the past.

Outstanding Debentures, Bond Issues and Redeemable Preference Shares

As on the date of the Draft Red Herring Prospectus, there are no outstanding debentures, bonds or redeemable preference shares of our Company.

Stock Market Data for our Equity Shares of our Company

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for redressal of investor grievances

The Memorandum of Understanding between the Registrar to this Issue and our Company provides for retention of records with the Registrar to this Issue for a period of at least three year from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, amount paid on Bid and the bank branch or collection centre where the Bid was submitted.

Disposal of Investor Grievances by our Company

Karvy Computershare Private Limited has been appointed as the Registrar in relation to this Issue, and in terms of the Memorandum of Understanding between our Company and the Registrar to the Issue, the Registrar shall redress complaints of the investors within one month of receipt of the complaint and continue to do so during the period it is required to maintain records. The Registrar shall provide a status report of investor complaints on a fortnightly basis to our Company. Similar status reports are also provided to our Company as and when required by the Company.

Our Board at its meeting held on January 04, 2010 has constituted a Shareholder's / Investor's Grievance Committee chaired by Shri Bhagwan Agarwal and Satyanarayanrao Dasika and Surendra Gandhi as members.

The terms of reference of the said Committee are mentioned in the chapter titled "*Our Management*" beginning on page 105 of the Draft Red Herring Prospectus.

Our Company has appointed Pravin N. Patil, Company Secretary as the Compliance Officer and he may be contacted at:

Pravin N. Patil
Compliance Officer
530, Laxmi Plaza
Laxmi Industrial Estate
Andheri - West
Mumbai – 400 053
Maharashtra,
India.

Tel. No.: +91 22 4050 4900
Fax No.: +91 22 2636 7676
Email: ipo@abcindia.biz

Investors may contact him in case of any pre-Issue or post-Issue problems.

Changes in Auditors during the last three financial years and reasons thereof

There has been no change in Statutory Auditors of our Company in the last three financial years.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*”, our Company has not capitalised its reserves or profits at any time since inception. For details on capitalisation of reserves and profits, refer chapter titled “*Capital Structure*” beginning on page 21 of the Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets since incorporation.

SECTION IX - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Principal Terms and Conditions of the Issue

The Equity Shares being issued are subject to the provisions of the Companies Act, Memorandum of Association and Articles of Association of our Company, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, ASBA form, the Revision Form, CAN, revised CAN the listing agreement with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, regulations, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, Government of India, Stock Exchanges, Registrar of Companies, RBI, 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 Companies Act, Memorandum and Articles of Association of our Company and shall rank *pari passu* in all respect with the other existing Equity Shares of our Company including rights in respect of dividends. The Allottees, in receipt of Allotment of Equity Shares under this Issue, will be entitled to dividends, voting rights or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, refer to Section titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page 273 of the Draft Red Herring Prospectus.

Mode of Payment of Dividends

The declaration and payment of dividend, if any, will be as per the provisions of the Companies Act.

Face Value and Issue Price

The Equity Shares with a face value of Rs. 10/- each will be offered in terms of the Red Herring Prospectus to be filed with the RoC at a price of Rs. [●] per Equity Share. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws. The Floor Price of the Equity Shares is Rs. [●] per Equity Share and Cap Price is Rs. [●] per Equity Share. The Issue Price is [●] times the face value of the Equity Shares.

Price Band

The Price Band shall be from Rs. [●] to Rs. [●] per Equity Share of face value of Rs. 10 each.

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 (members) of our Company shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation, subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement to be executed with the Stock Exchanges and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividends, forfeiture, transfer, transmission and lien and/or consolidation/splitting, refer to section titled “*Description of Equity Shares and Terms of the Articles of Association*” on page 273 of the Draft Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares of our Company in the Issue shall be Allotted only in dematerialized form. As per existing SEBI ICDR Regulations, 2009 the trading in our Equity Shares shall only be in dematerialized form for all investors, and hence, the tradable lot would be one Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For further details refer to paragraph titled “*Basis of Allotment*” beginning on page 252 under the chapter titled “*Issue Procedure*” of the Draft Red Herring Prospectus.

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.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, India.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/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 the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In this context, refer to the “**Note**” below.

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

- To register himself or herself as holder of Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (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.

Note: Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder(s) would prevail. If the investors want to change their nomination, they are requested to inform their respective Depository Participant.

Application by Eligible NRIs / FIIs registered with SEBI and FVCIs registered with SEBI

It is to be distinctly understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or FVCIs registered with SEBI. Such Eligible NRIs, FIIs registered with SEBI or FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of Allocation.

Bidding Period

Bidders may submit their Bids only in the Bidding Period. The Bid/Issue Opening Date is [●] and the Bid/Issue Closing Date is [●].

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue through the Draft Red Herring Prospectus including devolvement of Underwriters, if any, within 60 (sixty) days from the Bid/Issue Closing Date, 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 prescribed under Section 73 of the Companies Act.

If at least 50% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith.

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 Equity Shares will be allotted will not be less than 1,000.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue, including at any time after the Bid/Issue Opening Date, but before the Board meeting for Allotment in the Issue, without assigning any reason therefore. 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, the QIBs are not permitted to withdraw their Bids after the Bid/ Issue Closing Date.

Arrangement for Disposal of Odd Lots

Our Company's Equity Shares will be traded in dematerialized form only and the marketable lot is of one Equity Share, hence there is no possibility of odd lots.

Restriction on Transfer of Shares

There are no restrictions on transfers and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Draft Red Herring Prospectus and in the Articles of Association of our Company. For further details refer to section titled "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page 273 of the Draft Red Herring prospectus.

Pursuant to the existing regulations, OCBs are not eligible to participate in the Issue. Further, NRIs who are not Eligible NRIs are not permitted to participate in the Issue. Equity Shares acquired by Eligible NRIs can be only sold to any other person eligible to acquire the same in accordance with all applicable laws, rules and regulations.

Sub accounts of FIIs registered with SEBI, being foreign corporate or foreign individuals are not eligible to participate in this Issue in the QIB Portion.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Issue of Equity Shares in dematerialised form in the Issue

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued, transferred and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

ISSUE STRUCTURE

The present Public Issue is of 56,00,000* equity shares of Rs. 10 each for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) for cash aggregating to Rs. [●] Lacs (the “Issue”), The Issue will constitute 39.72% of the post Issue paid-up capital of our Company.

*Our Company is considering a Pre-IPO Placement with certain invertors (“Pre-IPO Placement”). The Pre-IPO Placement is at the discretion of our Company. Our Company will complete the issuance, if any, of such Equity Shares prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, then the Issue to the Public will be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue to the Public size of 25% of the post Issue paid up capital being offered to the public.

| Particulars | QIBs | Non Institutional Bidders | Retail Individual Bidders |
|--|--|--|--|
| Number of Equity Shares available for allocation* | Issue to the Public less allocation to Non Institutional Bidders and Retail Individual Bidders of at least 28,00,000 Equity Shares. | Not less than 8,40,000 Equity Shares or Issue size less allocation to QIB Bidders and Retail Individual Bidders | Not less than 19,60,000 Equity Shares or Issue size less allocation to QIB Bidders and Non Institutional Bidders. |
| Percentage of Issue Size available for Allotment/allocation | At least 50% of the Issue (of which 5% shall be reserved for Mutual Funds) or Issue less allocation to Non Institutional Bidders and Retail Individual Bidders. However, 5% of the QIB Portion (i.e. 1,40,000 Equity Shares) shall be available for Allocation proportionately to Mutual Funds. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. | Not less than 15% of the Issue available for allocation or the Issue less allocation to QIB Bidders and Retail Individual Bidders. | Not less than 35% of the Issue available for allocation or the Issue less allocation to QIB Bidders and Non Institutional Bidders. |
| Basis of Allotment/Allocation if respective category is oversubscribed | Proportionate** (a) 1,40,000 Equity Shares aggregating Rs. [●] lacs shall be available for allocation on a proportionate basis | Proportionate | Proportionate |

| Particulars | QIBs | Non Institutional Bidders | Retail Individual Bidders |
|-------------------------|--|---|--|
| | to Mutual Funds; and | | |
| | (b) 26,60,000 Equity Shares aggregating to Rs. [●] lacs shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. | | |
| Minimum Bid | Such number of Equity Shares that the Bid Amount exceeds Rs. 1,00,000 and in multiples of [●] Equity Shares thereafter. | Such number of Equity Shares that the Bid Amount exceeds Rs. 1,00,000 and in multiples of [●] Equity Shares thereafter. | [●] Equity Shares and in multiples of [●] Equity Share thereafter. |
| Maximum Bid | Not exceeding the size of the Issue subject to applicable limits | Not exceeding the size of the Issue subject to applicable limits | Such number of Equity Shares whereby Bid Amount does not exceed Rs. 1,00,000 |
| Mode of Allotment | Compulsorily in dematerialized form. | Compulsorily in dematerialized form. | Compulsorily in dematerialized form. |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter | [●] Equity Shares and in multiples of [●] Equity Shares thereafter | [●] Equity Shares and in multiples of [●] Equity Shares thereafter |
| Allotment Lot | [●] Equity Shares and in multiples of [●] thereafter | [●] Equity Shares and in multiples of [●] thereafter | [●] Equity Shares and in multiples of one thereafter |
| Trading Lot/ Market Lot | One Equity Share | One Equity Share | One Equity Share |
| Who can Bid | A mutual fund, venture capital fund and foreign venture capital investor registered with SEBI; a foreign institutional investor and sub-account (other than a sub-account which is foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an | Resident Indian, individuals, Eligible NRIs, HUF, applying through their Karta, minors applying through their natural guardian companies, corporate bodies, scientific institutions, societies, trusts, sub accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals. | Resident individuals (including HUF, applying through their Karta, minors applying through their natural guardian and Eligible NRIs) applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value. |

| Particulars | QIBs | Non Institutional Bidders | Retail Individual Bidders |
|------------------|--|--|--|
| | insurance company registered with the Insurance Regulatory and Development Authority (IRDA); provident funds with minimum corpus of Rs. 2500 lacs; and pension funds with minimum corpus of Rs. 2500 lacs; and National Investment Fund set up by resolution no. F. No. 2/3/2005- DDII dated November 23, 2005 of the Government of India published in the Gazette of India and Insurance funds set up and managed by army, navy or air force of the Union of India, eligible to Bid in the Issue. | | |
| Terms of Payment | Margin Amount applicable to QIB Bidders at the time of submission of Bid cum Application Form to the Syndicate Member. | Margin Amount applicable to Non Institutional Bidders at the time of submission of (i) Bid cum Application Form to the Member of Syndicate; or (ii) submission of ASBA Form to SCSB. | Margin Amount applicable to Retail Individual Bidder at the time of submission of: (i) Bid cum Application Form to the Member of Syndicate; or (ii) submission of ASBA Form to SCSB. |
| Margin Amount | At least 10% of Bid Amount | Full Bid Amount on bidding | Full Bid Amount on bidding |

* The Issue is being made through the Book Building Process wherein at least 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, out of which 5% shall be available for allocation on a proportional basis to Mutual Funds only and the remainder shall be made available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 50% of the Issue cannot be allotted to QIBs, the entire application monies will be refunded. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange.

**If the aggregate demand by Mutual Funds is less than 1,40,000 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 proportion to their Bids.

In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear in the Bid cum Application Form.

After the Bid / Issue Closing Date, depending upon the level of subscription, additional Margin Amount, if any, may be called from the QIB Bidders.

ISSUE PROCEDURE

Book Building Procedure

This Issue is being made through the Book Building Process wherein at least 50% of the Issue shall be made available for allocation on a proportionate basis to QIBs, including 5% of the QIB Portion, which shall be made available for allocation to Mutual Funds only, and the remaining QIB portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price. If at least 50% of the Issue cannot be allocated to QIBs, then the entire application money shall be refunded forthwith. Further, not less than 35% of the Issue shall be made available for allocation on a proportionate basis to Retail Individual Bidders, and not less than 15% of the Issue shall be made available for allocation on a proportionate basis to Non Institutional Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate. ASBA Investors intending to subscribe to the Issue, shall submit a completed ASBA Bid cum Application Form to a designated branch of the SCSB, with whom the bank account to be blocked, is maintained. Further, QIB bids can be procured and submitted only through the BRLM or their affiliates or Syndicate Members. In case of QIB Bidders, BRLM may reject any Bid procured by any or all of the Syndicate Member at the time of acceptance of Bid cum Application Form for reasons to be recorded in writing for rejecting the Bid and the reasons thereof shall be disclosed to such Bidder. In case of Non Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that Allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. Bid cum Application Forms which do not have details of the Bidders' depository account shall be treated as incomplete and rejected. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form bearing the stamp of Syndicate Member for the purpose of making a Bid in terms of the this Draft Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the Allocation of Equity Shares, dispatch of the CAN and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, 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 as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category | Colour of Bid cum Application Form |
|---|------------------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| Non-Residents, Eligible NRIs, FVCIs, FIIs, registered multilateral and bilateral development financial institutions on a repatriation basis | Blue |

In accordance with the SEBI ICDR Regulations, all investors except Qualified Institutional Buyers (QIBs) are eligible to apply through ASBA. The physical ASBA Bid cum Application Form shall be White in colour.

ASBA Bidders shall submit an ASBA Bid cum Application Form physically or electronically through internet banking facility to the SCSB authorizing blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders. Upon the Allocation of Equity

Shares, dispatch of the CAN and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Bid cum Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the SCSB, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

Who can Bid?

- Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of Sole or First bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in the equity shares;
- Eligible NRIs on a repatriation basis or a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Mutual Funds registered with SEBI;
- Public financial institution as defined in section 4A of the Companies Act, 1956;
- Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI rules and regulations, as applicable);
- 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 constitution to hold and invest in equity shares;
- Foreign Institutional Investors (FIIs) and sub-accounts registered with SEBI other than a sub-account which is a foreign corporate or a foreign individual, under the QIB Category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals, only under the Non Institutional Bidders Category.
- Scientific and/or Industrial Research Organisations authorised to invest in equity shares;
- Insurance companies registered with Insurance Regulatory and Development Authority, India;
- Provident funds with minimum corpus of Rs. 2,500 lacs and who are authorized under their constitution to hold and invest in equity shares;
- Pension funds with minimum corpus of Rs. 2,500 lacs and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and Bilateral Development Financial Institutions;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Persons otherwise eligible to invest under all applicable laws, rules, regulations & guidelines; and
- Any other QIBs permitted to invest, subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue;

As per the existing policy of the Government of India, OCBs are not allowed to participate in this Issue.

The information above and otherwise contained in this section as regards investment laws, investments limits, etc. as applicable to various categories of investors is given for the benefit of Bidders. Our Company, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus

Participation by associates of the BRLM and the 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 subscribe 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 their clients.

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 the relevant laws, rules, regulations, guidelines and approvals.

Bids by Mutual Funds

Under the SEBI ICDR Regulations, 5% of the QIB Portion, i.e., 1,40,000 Equity Shares are specifically reserved for Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Fund Portion is greater than 1,40,000 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion.

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which application is being made. **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 Eligible NRIs

Eligible NRIs are required to comply with the following:

- Bid cum Application Forms will be made available for Eligible NRIs at our Registered Office, BRLM, with select members of the Syndicate and with Registrar to the Issue.
- Eligible NRIs may please note that only such applications as are accompanied by payment in free foreign exchange or by debit to their Non Resident External (NRE) / Foreign Currency Non Resident (FCNR) accounts shall be considered for Allotment under the Eligible NRI category on repatriable basis. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) i.e. on non repatriation basis accounts shall use the Bid cum Application Form meant for Resident Indians (White in colour) and shall not use the forms meant for Eligible NRIs i.e. Blue in colour.
- All instruments accompanying bids shall be payable in Mumbai only.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The Issue of Equity Shares to a single FII should not exceed 10% of our post-Issue capital of our company (i.e. 10% of 1,41,00,000 Equity Shares). In respect of a FII investing in our Equity Shares on behalf of its

sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual.

As of now, in accordance with the foreign investment limits applicable to us and pursuant to the resolution passed by our Shareholders in the Extraordinary General Meeting held on September 30, 2009, the total foreign investment including FII investment cannot exceed the sectoral cap applicable to us (being 100% of our total post Issue capital).

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations 1995, as amended, by the SEBI (Foreign Institutional Investors)(Amendment) Regulations, 2008 (“**SEBI FII Regulations**”), an FII, as defined in the SEBI FII Regulations, or its sub account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations, as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. The FII or sub-account is also required to ensure that no further issue or transfer of any Offshore Derivative Instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the BRLM and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors respectively registered with SEBI. Accordingly, the holding in any company by any individual venture capital fund should not exceed 25% of its corpus. However, venture capital funds or foreign venture capital investors may invest not more than 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable investment limits under laws or regulations or maximum number of Equity Shares that can be held by them under applicable laws.

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 Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of cut-off option, the Bid would be considered for allocation under the Non Institutional Portion. The option to Bid at Cut-off Price is an option given to the Retail Individual Bidders (including ASBA Bidders) indicating their agreement to Bid and purchase at the Issue Price as determined at the end of the Book Building Process.

- (b) **For Other Bidders (Non Institutional Bidders and QIBs bidding in the QIB Portion):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **Under existing SEBI ICDR Regulations, a QIB Bidder bidding in the QIB Portion cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the QIB Margin Amount upon submission of Bid.**

In case of revision in Bids, the Non Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'. QIB bidders cannot Bid under the ASBA process.

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 laws, rules, guidelines, approvals, or regulation or as specified in this Draft Red Herring Prospectus.

Information for the Bidders:

- (a) The Red Herring Prospectus will be filed by our Company with the RoC at least three days before the Bid/Issue Opening Date.
- (b) The members of the Syndicate will circulate copies of the Bid cum Application Form to potential investors, and at the request of potential investors, copies of the Red Herring Prospectus.
- (c) The members of the Syndicate shall accept Bids from the Bidder during the Bidding Period in accordance with the terms of the Syndicate Agreement.
- (d) 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 can obtain the same from our Registered Office or from any of the members of the Syndicate.
- (e) Eligible investors who are interested in subscribing for the Equity Shares should approach the BRLM or the Syndicate Members or their authorised agent(s) to register their Bids.
- (f) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the Syndicate Member. Bid cum Application Forms, which do not bear the stamp of the Syndicate Member, will be rejected.

Method and Process of Bidding

- (a) Our Company and the BRLM shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date at the time of filing the Red Herring Prospectus with RoC and also publish the same in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper, each with wide circulation. 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. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM including the relevant financial ratios computed for both the Cap Price and Floor Price and advertised at least two working days prior to the Bid/Issue Opening Date in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper, each with wide circulation.

- (b) The Bidding Period shall be for a minimum of three working days and not exceeding 10 working days (including the days for which the Issue is open in case of revision in Price Band). In case the Price Band is revised, the revised Price Band and the Bidding Period will be widely disseminated by notification to SCSBs, BSE and NSE, and will be published in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper, each with wide circulation, and also by indicating the change on the websites of the BRLM and at the terminals of members of the Syndicate and the Bidding Period may be extended, if required, by an additional three working days, subject to the total Bidding Period not exceeding 10 working days.
- (c) During the Bid/Issue Period, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorised agents to register their Bid.
- (d) 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” below), within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- (e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in the “*Build Up of the Book and Revision of Bids*” beginning on page 237 of the Draft Red Herring Prospectus.
- (f) During the Bidding period, Bidders may approach the members of the Syndicate or their authorized agent to submit their Bid. Every member of the Syndicate shall accept bids from Bidders who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and this Draft Red Herring Prospectus.
- (g) The members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip (“**TRS**”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form. It is the responsibility of the Bidder to obtain the TRS from the member of the Syndicate.
- (h) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under “*Terms of Payment and Payment into the Escrow Account(s)*” beginning on page 235 of the Draft Red Herring Prospectus.

Bids at Different Price Levels and Revision of Bids

- (a) The Price Band has been fixed at Rs. [●] to Rs. [●] per Equity Share, Rs. [●] being the Floor Price and Rs. [●] being the Cap Price. The Bidders can Bid at any price with in the Price Band, in multiples of Rupee 1. The Price Band and the minimum Bid Lot Size for the Issue shall be decided by our Company, in consultation with the BRLM, and advertised in three newspapers (one in English, one in Hindi, and in one regional newspaper) at least two working days prior to the Bid/Issue Opening Date.

- (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 up or down to the extent of 20% of the Floor Price disclosed at least two days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the SCSBs, Stock Exchanges, by issuing a public notice in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the regional language, and also by indicating the change on the websites of the BRLM, SCSBs and at the terminals of members of the Syndicate.
- (d) Our Company in consultation with the BRLM can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of or intimation to the Bidders.
- (e) The Bidder can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders applying for a maximum Bid in any of the bidding options not exceeding Rs. 1,00,000 may Bid at 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 in the Escrow Account(s). In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price (i.e., the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), the Retail Individual Bidders who Bid at Cut-off Price shall receive the refund of the excess amounts from the Refund Account(s).
- (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 Rs. 1,00,000 for Retail Individual Bidders bidding at the Cut-off Price, if the Bidder wants to continue to Bid at Cut-off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 1,00,000 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 this Draft Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that the 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 Refund Account(s).
- (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 Rs. 5,000 to Rs. 7,000.

IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, EQUITY SHARES WILL BE ISSUED, TRANSFERRED AND ALLOTMENT SHALL BE MADE ONLY IN THE DEMATERIALISED FORM TO THE ALLOTTEES. ALLOTTEES WILL HAVE THE OPTION TO RE-MATERIALISE THE EQUITY SHARES, IF THEY SO DESIRE, AS PER THE PROVISIONS OF THE COMPANIES ACT AND THE DEPOSITORIES ACT IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges. 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 the relevant laws, rules, regulations, guidelines and approvals.

Terms of Payment and Payment into the Escrow Account(s)

Each Bidder shall provide the applicable Margin Amount, with the submission of the Bid cum Application Form by drawing a cheque or demand draft for the maximum amount of the Bid in favour of the Escrow Account(s) of the Escrow Collection Bank(s) (for details see paragraph titled "*Payment Instructions*" beginning on page 245 of the Draft Red Herring Prospectus, and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid cum Application Forms accompanied by cash/stock invest/money order shall not be accepted. The Bidder may also provide the applicable Margin Amount by way of an electronic transfer of funds through the RTGS mechanism. Each QIB shall provide its Margin Amount only to the Syndicate Member. The Margin Amount based on the Bid Amount has to be paid at the time of the submission of the Bid cum Application form

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold such monies for the benefit of the Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account(s), as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds.

Each category of Bidders i.e., QIB Bidders, Non Institutional Bidders and Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form. The Margin Amount payable by each category of Bidders is mentioned under the chapter titled "*Issue Structure*" beginning on page 225 of the Draft Red Herring Prospectus. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares transferred at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date. If the payment is not made favouring the Escrow Account(s) within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the applicable Margin Amount for Bidders is 100%, the full amount of payment has to be made at the time of submission of the Bid cum Application Form.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had Bid for, the excess amount paid on bidding, if any, after adjustment for allocation/ transfer, will be refunded to such Bidder within 15 days from the Bid/Issue Closing Date, failing which our Company shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Electronic Registration of Bids

- (a) The members of the Syndicate will register the Bids received, using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity in each city, where the stock exchanges are located in India and where such Bids are being accepted.
- (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 authorised agents during the Bidding Period. The Syndicate Members 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 shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis. Bidders are cautioned that a high inflow of bids typically experienced on the last day of the bidding may lead to some Bids received on the last 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 aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centres and the website of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available at the bidding centers and at the websites of each of the Stock Exchanges during the Bidding Period.
- (e) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:
 - Name of the investor. Bidders should ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the Depository Account is held. In case the Bid cum Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.
 - Investor Category – Individual, Corporate, Eligible NRI, FI, FII, or Mutual Fund, QIBs, etc.
 - Numbers of Equity Shares Bid for.
 - Bid Amount.
 - Bid cum Application Form number.
 - Whether Margin Amount has been paid upon submission of Bid cum Application Form.
 - Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder.
- (f) A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. **It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate.** The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated/ Allotted either by the members of the Syndicate or our Company.
- (g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (h) In the case of QIB Bidders in the QIB Portion, BRLM may reject any Bid procured by any or all of the Syndicate Member at the time of acceptance of Bid cum Application Form for reasons to be recorded in writing for rejecting the Bid and the reasons thereof shall be disclosed to such Bidder. In case of Non Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed under the paragraph titled "*Grounds for Technical Rejections*" beginning on page 249 of the Draft Red Herring 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 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.
- (j) It is also to be distinctly understood that the approval given by the Stock Exchanges should not in any way be deemed or construed that this Draft Red Herring Prospectus has been 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 contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- (k) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. In case of discrepancy of data between the Stock Exchanges and the members of the Syndicate, the decision of the BRLM based on the physical records of Bid cum Application Forms shall be final and binding on all concerned.

Build Up of the Book and Revision of Bids

- (a) Bids registered by various Bidders, through the members of the Syndicate shall be electronically transmitted to the Stock Exchanges mainframe on a regular basis, in accordance with market practice.
- (b) The book gets built up at various price levels. This information will be available with the BRLM on a regular basis.
- (c) During the Bidding Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.
- (d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the revision form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.
- (e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.
- (f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Draft Red Herring Prospectus. In case of QIB Bidders in the QIB Portion, the Syndicate Member shall collect the payment in the form of cheque or demand draft or electronic transfer for the incremental amount in the QIB Margin Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

- (g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the concerned member of the Syndicate. **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) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. In the event of a discrepancy of data between the Bids registered on the online IPO system and the physical Bid cum Application form, the decision of our Company in consultation with the BRLM based on the physical records of the Bid cum Application Forms, shall be final and binding on all concerned.

Under existing SEBI ICDR Regulations, a QIB Bidder bidding in the QIB Portion cannot withdraw its Bid after the Bid/Issue Closing Date

Price Discovery and Allocation

- (a) After the Bid/Issue Closing Date, the BRLM will analyse the demand generated at various price levels and discuss the pricing strategy with our Company.
- (b) Our Company in consultation with the BRLM shall finalise the Issue Price.
- (c) Allocation to QIBs will be at least 50% of the Issue, not less than 15% of the Issue will be available for allocation to Non Institutional Bidders and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, on a proportionate basis, in the manner specified in SEBI ICDR Regulations and the Draft Red Herring Prospectus, in consultation with the Designated Stock Exchange, subject to valid bids being received at or above the Issue Price
- (d) If at least 50% of the Issue is not allotted to QIBs, the entire subscription monies shall be refunded. Under-subscription, if any, in the Non Institutional Portion and Retail Portion would be met with spill over from any other category at the discretion of our Company and in consultation with the BRLM, the Designated Stock Exchange. In the event that the aggregate demand in the QIB Portion has been met, under subscription in other categories, 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, the Designated Stock Exchange.
- (e) 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 including Mutual funds, subject to valid Bids being received from them at or above the Issue Price. If the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than 1,40,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be Allotted proportionately to the QIB Bidders.
- (f) Allocation to Eligible NRIs, FIIs, eligible / permitted sub accounts of FIIs, foreign venture capital funds registered with SEBI applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines, approvals and the terms and conditions stipulated by the FIPB and RBI, while granting permission for Allotment of Equity Shares to them in this Issue.
- (g) The BRLM, in consultation with our Company shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- (h) Our Company reserves the right to cancel the Issue any time after the Bid/Issue Opening Date, but before the Allotment, and the reasons thereof shall be given as a public notice within two days of the cancellation of the Issue / Bid/Issue Closing Date. The public notice will be issued in the same newspapers where the pre-Issue advertisements had appeared. Further the Stock Exchanges will also be informed promptly. In terms of the SEBI ICDR Regulations, QIB

Bidders bidding in the QIB Portion shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

- (i) Our Company in consultation with the BRLM, reserves the right to reject any Bid procured from QIB Bidders, by any or all Syndicate Members. In case of QIB Bidders, BRLM may reject any Bid procured by any or all of the Syndicate Member at the time of acceptance of Bid cum Application Form for reasons to be recorded in writing for rejecting the Bid and the reasons thereof shall be disclosed to such Bidder.
- (j) QIB Bidders shall not be allowed to withdraw their Bid after the Bid / Issue Closing date.
- (k) The Allotment details shall be put on the website of Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) Our Company, the BRLM and the Syndicate Members shall enter into an Underwriting Agreement on finalization of the Issue Price and Allocation / Allotment to the Bidders.
- (b) After signing the Underwriting Agreement, the updated Red Herring Prospectus will be filed by our Company with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.
- (c) We will file a copy of the Red Herring Prospectus and Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to the provisions of section 66 of the Companies Act, 1956, our Company shall, after registering the Red Herring Prospectus with the Registrar of Companies, make a pre-Issue advertisement in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper at the place where the registered office of the issuer is situated, each with wide circulation.

Advertisement regarding Price Band (If Price Band is not disclosed in the Red Herring Prospectus)

If the Price Band is not mentioned in the Red Herring Prospectus, then our Company shall announce the Price Band at least two working days before the Bid / Issue Opening Date including the relevant financial ratios computed for both the Cap Price and Floor Price, in all the newspapers in which the pre-Issue advertisement was released; i.e. in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper at the place where the registered office of the issuer is situated, each with wide circulation

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by our Company after the filing of the Prospectus with the RoC in an English national newspaper, a Hindi national newspaper and a regional newspaper, each with wide circulation. 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 Prospectus shall be included in such statutory advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

- (a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the Syndicate Members a list of their Bidders who have been allocated/ Allotted Equity Shares in the Issue. The approval of the basis of Allotment by the Designated Stock Exchange for QIB Bidders in the QIB Portion may be done simultaneously with or prior to the approval of the basis of Allotment for the Retail and Non Institutional

Bidders. However, investors should note that our Company shall ensure that the date of Allotment of the Equity Shares to all investors in this Issue shall be done on the same date.

- (b) The BRLM or the Syndicate Members would dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder. QIB Bidders who have not paid the entire Bid Amount into the Escrow Account(s) at the time of bidding shall pay in full the amount payable into the Escrow Account(s) by the Pay-in Date specified in the CAN.
- (c) Bidders who have been allocated Equity Shares and who have already paid the Bid Amount into the Escrow Account(s) at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of his or her cheque or demand draft paid into the Escrow Account(s). The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for the Allotment to such Bidder.
- (d) The Issuance of CAN is subject to “**Notice to QIBs: Allotment Reconciliation and Revised CANs**” as set forth below

Notice to QIBs bidding in the QIB Portion: Allotment/Transfer Reconciliation and Revised CAN

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE system. This shall be followed by a physical book prepared by the Registrar on the basis of Bid cum Application Forms received. Based on the electronic book or the physical book, as the case may be, QIBs may be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the reconciled book prepared by the Registrar to the Issue, prior to Allotment by our Board of Directors. Subject to SEBI ICDR Regulations, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange. As a result, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

- (a) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account(s) to the Public Issue Account and to Refund Account(s) on the Designated Date, our Company will ensure the credit to successful Bidders depository account within two working days of the date of Allotment.
- (b) In accordance with the SEBI ICDR Regulations, Equity Shares will be issued, transferred and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

General Instructions

Do's:

- (a) Check if you are eligible to apply as per the Draft Red Herring Prospectus and under applicable laws, rules and regulations;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Resident Bid cum Application Form (White in colour) or Non-Resident Bid cum Application Form (Blue in colour), or the ASBA Bid cum Application Form (White in colour), as the case may be;
- (d) Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- (e) Ensure that the beneficiary account is activated;
- (f) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a Syndicate Member;
- (g) Ensure that you have been given a TRS for all your Bid options;
- (h) Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
- (i) Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, each of the Bidders should mention their Permanent Account Number (PAN) allotted under the I.T. Act;
- (j) Ensure that the Demographic Details (as defined below) are updated, true and correct in all respects;
- (k) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- (c) Do not Bid for allotment of Equity Shares in physical form;
- (d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the member of the Syndicate;
- (e) Do not pay the Bid Amount in cash, by money order, by postal order or by stockinvest;
- (f) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only;
- (g) Do not Bid at Cut-off Price (for QIB Bidders and Non Institutional Bidders);

- (h) Do not fill up the Bid cum Application Form such that the Equity Shares Bid exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- (i) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.
- (j) Do not bid at Bid Amount exceeding Rs. 1,00,000 in case of Bid by a Retail Individual Bidder; and
- (k) Do not submit the Bid without the QIB margin, in case of bids by QIB.

Instructions for Completing the Bid cum Application Form

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate or the Registered Office of our Company or the Registrar to the Issue.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable. (White colour forms for Resident Indians and Eligible NRIs applying on a non-repatriation basis, blue colour forms for Eligible NRIs, FVCIs and FIIs applying on a repatriation basis, and white for ASBA Bidders.)
- (b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.
- (c) 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 Rs. 1,00,000. In case the Bid Amount is over Rs. 1,00,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (d) For Non Institutional Bidders and QIB Bidders bidding in the QIB Portion (including Eligible NRIs), Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations. QIBs bidding in the QIB Portion cannot withdraw their Bid after the Bid/Issue Closing Date.
- (e) Bids by Non Residents, Eligible NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis shall be in the names of individuals, or in the names of FIIs or FVCIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.
- (f) In case of revision in Bids, the Non Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non Institutional Bidders who are eligible for

allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non Institutional Bidders and QIBs are not allowed to Bid at Cut off Price.

- (g) In single name or in joint names (not more than three and in the same order in which they appear in the beneficiary account held with the Depository Participant).
- (h) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Bank Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, Magnetic Ink Character Recognition ("MICR") code and occupation (hereinafter referred to as "Demographic Details"). These Demographic Details would be used for giving refunds (including through physical refund warrants, direct credit, ECS/NECS, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their Demographic Details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLM, the Registrar to the Issue nor the Escrow Collection Banks 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. Further it is mandatory to provide the bank details in the Bid cum Application Form, failing which the Bid will be liable to be rejected.

Bidders Depository Account Details

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/CANs/Allocation Advice and printing of Bank particulars on the refund order or making refunds electronically and the Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue. Hence the Bidders are advised to update their Demographic Details as provided to the DP and ensure they are true and correct.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders (where refunds are not being made electronically)/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company, Registrar to the Issue, Escrow Collection Bank(s) nor the BRLM

shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Draft Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number, then such Bids are liable to be rejected.

Our Company in its absolute discretion, reserve 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 refund order/CANs/allocation advice / refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non Residents, Eligible NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis

Bids and revision to Bids must be made:

1. On the Bid cum Application Form or the Revision Form, as applicable (Blue in colour) and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In a single name or joint names (not more than three).
3. In the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees. Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non Institutional Portion for the purposes of allocation; by other eligible Non Resident Bidders for a minimum of such number of Equity Shares and in multiples of [●] thereafter that the Bid Amount exceeds Rs. 100,000.

For further details, refer paragraph titled "*Maximum and Minimum Bid Size*" beginning on page 231 of the Draft Red Herring Prospectus.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE or FCNR accounts, as the case may be, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, Eligible NRIs, FIIs and foreign venture capital funds and all Non Residents, Eligible NRI, FII and foreign venture capital funds applicants will be treated on the same basis with other categories for the purpose of Allocation.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/or bye

laws must be lodged along with the 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 case of Bids made pursuant to a power of attorney by FIIs, FVCIs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the 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 case of Bids made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the 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 case of Bids made by provident funds with minimum corpus of Rs. 2,500 lacs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. 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.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

Payment Instructions

Escrow Mechanism

Our Company and the Syndicate Members shall open Escrow Account(s) with the Escrow Collection Bank(s) for the collection of the Bid Amount payable upon submission of the Bid cum Application Form and for amounts payable pursuant to Allocation/Allotment in the Issue.

The Escrow Collection Banks will act in terms of the Draft Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank(s), for and on behalf of the Bidders, shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Account, into the Public Issue Account and Refund Account as per the terms of the Escrow Agreement. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Draft 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 Members, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Payment into Escrow Account(s)

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on Allocation/Allotment as per the following terms:

1. The Bidders for whom the applicable Margin Amount is equal to 100%, shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account(s) and submit the same to the members of the Syndicate.
2. In case of QIBs bidding in the QIB Portion, where the margin is less than 100% of the Bid Amount, the balance amount shall be paid by the Bidders into the Escrow Account(s) within the period specified in the CAN. If the payment is not made in favour of the Escrow Account within the stipulated time, the Bid is liable to be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - In case of resident QIB Bidders: “Escrow Account – ABECL – QIB – R”
 - In case of non-resident QIB Bidders: “Escrow Account – ABECL – QIB– NR”
 - In case of Resident Bidders: “Escrow Account – ABECL – Public Issue”
 - In case of Non Resident Bidders: “Escrow Account – ABECL – Public Issue – NR”
4. In case of Bids by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account maintained with banks authorised to deal in foreign exchange in India.
5. In case of Bids by FIIs, or FVCIs the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to Special Rupee Account.
6. Where a Bidder has been Allocated/ Allotted a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated will be refunded to the Bidder from the Refund Account.
7. The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Banks, which will hold the monies deposited in the Escrow Account for the benefit of the Bidders till the Designated Date.
8. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. On the Designated Date and no later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for Allocation/Allotment to the Bidders.
10. Payments should be made by cheque, or demand draft drawn on any bank (including a Co-operative Bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted

and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash / stockinvest / Money Orders / Postal orders will not be accepted.

11. Bidders are advised to mention the number of application form on the reverse of the cheque / demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.
12. 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.

Payment by Stockinvest/money order

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 the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Payment through stockinvest would not be accepted in this Issue. Further, payments through money order would not be accepted in this Issue.

Submission of Bid Cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

Other Instructions

- **Joint Bids in the case of Individuals**

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

- **Multiple Bids**

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Our Company, in consultation with the BRLM, reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name and age will be accumulated and taken to a separate process file, which would serve as a multiple master.
2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.

3. The Registrar will obtain, from the depositories, details of the applicant's address based on the DP ID and Beneficiary Account Number provided in the Bid cum Application Form and create an address master.
4. The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. The applications with same name and same address will be treated as multiple applications.
5. The applications will be scrutinized for DP ID and beneficiary account numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.
6. Subsequent to the aforesaid procedures, a print out of the multiple master will be taken and the applications physically verified to tally signatures as also father's/ husband's names. On completion of this, the applications will be identified as multiple applications.

Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

In cases where there are more than 20 valid applicants having a common address, such shares will be kept in abeyance, post Allotment and released on confirmation of KYC norms by the depositories.

Permanent Account Number or PAN

Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, each of the Bidders should mention his/her PAN allotted under the I.T. Act. Each Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN. Applications without this information will be considered incomplete and are 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.** In case the sole/First Bidder and Joint Bidder(s) is/are not required to obtain PAN, each of the Bidder(s) shall mention "Not Applicable" and in the event that the sole Bidder and/or the joint Bidder(s) have applied for PAN which has not yet been allotted each of the Bidder(s) should Mention "Applied for" in the Bid cum Application Form

Unique Identification Number ("UIN")

Pursuant to circulars dated April 27, 2007 (No. MRD/DoP/Cir-05/2007) and June 25, 2007 (No. MRD/DoP/Cir-08/2007) issued by SEBI, the requirement of UIN under the SEBI (Central database of Market Participants) Regulations, 2005 has been discontinued and irrespective of the amount of transaction, PAN has been made the sole identification number for all participants in the securities market.

Right to Reject Bids

In case of QIB Bidders, BRLM may reject any Bid procured by any or all of the Syndicate Member at the time of acceptance of Bid cum Application Form for reasons to be recorded in writing for rejecting the Bid and the reasons thereof shall be disclosed to such Bidder. In case of Non Institutional Bidders and Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made through any of the modes described in the Draft Red Herring Prospectus and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for;
2. Age of First Bidder not given;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not partnership firms and as such no firm shall be entitled to apply;
4. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors (Except through their natural / legal guardian), insane persons, persons with unsound mind;
5. PAN not stated or GIR number stated instead (except for Bids on behalf of the Central or State Government and the officials appointed by the courts);
6. Bids for lower number of Equity Shares than specified for that category of investors;
7. Bids at a price less than the Floor Price;
8. Bids at a price more than the Cap Price;
9. Bids at Cut-off Price by Non Institutional Bidders and QIB Bidders;
10. Bids for number of Equity Shares which are not in multiples of [•];
11. Category not ticked;
12. Multiple Bids as described in this Draft Red Herring Prospectus;
13. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
14. Bids accompanied by money order/postal order/cash/stockinvest;
15. Signature of sole and/or joint Bidders missing;
16. Bid cum Application Forms does not have the stamp of the BRLM or the Syndicate Members;
17. Bid cum Application Forms does not have Bidder's depository account details or the details given are incomplete;
18. Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
19. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
20. Bids for amounts greater than the maximum permissible amounts prescribed by the applicable regulations;
21. Bids in respect where the Bid cum Application Form do not reach the Registrar to the Issue prior to the finalisation of the 'Basis of Allotment';

22. Bids by QIBs not submitted through a Syndicate Member;
23. Bids by OCBs;
24. Bids by U.S residents or U.S persons other than “Qualified Institutional Buyers” as per Rule 144A of the Securities Act.
25. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;
26. Bids not uploaded in the Book would be rejected;
27. Bids or revision thereof by QIB Bidders and Non Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 uploaded after 4.00 p.m. on the Bid/Issue Closing Date;
28. Bank account details not given;
29. Bids for allotment of Equity Shares in physical form;
30. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
31. Bids by persons who are not eligible to acquire Equity Shares of our Company in terms of all applicable laws, rules, regulations, guidelines and approvals;
32. Bids that do not comply with the securities laws of their respective jurisdictions;
33. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws; and

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- a) Agreement dated [●] with NSDL, our Company and the Registrar to the Issue;
- b) Agreement dated [●] with CDSL, our Company and the Registrar to the Issue.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- b) The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant’s Identification Number) appearing in the Bid cum Application Form or Revision Form.
- c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

- d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
- g) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

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 transferred shares in the respective beneficiary accounts, refund orders etc.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,*

shall be punishable with imprisonment for a term which may extend to five years."

Interest on refund of excess bid amount

Our Company shall pay interest at 15% per annum for any delay beyond the 15 day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 15 day time prescribed above as per guidelines issued by the Government of India, Ministry of Finance and as further modified by the SEBI Rules and Regulations

Basis of Allotment

A. For Retail Individual Bidders

- a) Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- b) 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.
- c) If the aggregate demand in this category is less than or equal to 19,60,000 Equity Shares (assuming at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids).
- d) If the aggregate demand in this category is greater than 19,60,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

B. For Non Institutional Bidders

- a) Bids received from Non Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non Institutional Bidders will be made at the Issue Price.
- b) 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.
- c) If the aggregate demand in this category is less than or equal to 8,40,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non Institutional Bidders to the extent of their demand.
- d) In case the aggregate demand in this category is greater than 8,40,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and multiples of [●] Equity Shares thereafter. For the method of proportionate basis of Allotment refer below.

C. For QIBs

- Bids received from the QIB Bidders, at or above the Issue Price, shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.
- The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
 - (a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
 - (i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.

- (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received at or above the Issue Price.
- (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- (b) In the second instance Allotment to all QIBs shall be determined as follows:
- (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
- (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
- (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

The aggregate allocation to QIB Bidders shall be at least 28,00,000 Equity Shares.

Method of proportionate basis of allotment

Illustration of Allotment to QIBs and Mutual Funds (“MF”)

A. Issue Details

| Sr. No. | Particulars | Issue details |
|---------|---------------------------------------|--------------------------|
| 1. | Issue size | 20 crore equity shares |
| 2. | Allocation to QIB (50%) | 10 crore equity shares |
| | Of which: | |
| | a. Allocation to MF (5%) | 0.50 crore equity shares |
| | b. Balance for all QIBs including MFs | 9.50 crore equity shares |
| 3. | No. of QIB applicants | 10 |
| 4. | No. of shares applied for | 50 crore equity shares |

B. Details of QIB Bids

| Sr. No | Type of QIB bidders# | No. of shares bid for (in crore) |
|--------|----------------------|----------------------------------|
| 1 | A1 | 5 |
| 2 | A2 | 2 |
| 3 | A3 | 13 |
| 4 | A4 | 5 |
| 5 | A5 | 5 |
| 6 | MF1 | 4 |
| 7 | MF2 | 4 |
| 8 | MF3 | 8 |
| 9 | MF4 | 2 |
| 10 | MF5 | 2 |
| | Total | 50 |

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

Number of equity shares in Crores

| Type of QIB bidders | Shares bid for | Allocation of 0.50 crore equity shares to MF proportionately (please see note 2 below) | Allocation of balance 9.50 crore equity shares to QIBs proportionately (please see note 4 below) | Aggregate allocation to MFs |
|---------------------|----------------|--|--|-----------------------------|
| (I) | (II) | (III) | (IV) | (V) |
| A1 | 5 | 0 | 0.960 | 0 |
| A2 | 2 | 0 | 0.384 | 0 |
| A3 | 13 | 0 | 2.495 | 0 |
| A4 | 5 | 0 | 0.960 | 0 |
| A5 | 5 | 0 | 0.960 | 0 |
| MF1 | 4 | 0.10 | 0.748 | 0.848 |
| MF2 | 4 | 0.10 | 0.748 | 0.848 |
| MF3 | 8 | 0.20 | 1.497 | 1.697 |
| MF4 | 2 | 0.05 | 0.374 | 0.424 |
| MF5 | 2 | 0.05 | 0.374 | 0.424 |
| | 50 | 0.50 | 9.50 | 4.242 |

Please note:

- The illustration presumes compliance with the requirements specified in the Draft Red Herring Prospectus in chapter titled “*Issue Structure*” beginning on page 225 of the Draft Red Herring Prospectus.
- Out of 10 crore Equity Shares allocated to QIBs, 0.50 crore (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 20 crore shares in the QIB Portion.
- The balance 9.50 crore Equity Shares, i.e. 10 – 0.50 (available for Mutual Funds only) will be allocated on proportionate basis among 10 QIB Bidders who applied for 50 crore Equity Shares (including five Mutual Fund applicants who applied for 20 crore Equity Shares).
- The figures in the fourth column titled “Allocation of balance 9.50 crore Equity Shares to QIBs proportionately” in the above illustration are arrived as under:
 - For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 9.5 /49.50;
 - For Mutual Funds (MF1 to MF5)= {(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e., column III of the table above)} X 9.5 /49.50;
 - The numerator and denominator for arriving at allocation of 9.50 crore Equity Shares to the 10 QIBs are reduced by 0.50 crore shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate Basis of Allotment in the Issue

In the event of Issue being over-subscribed, our Company shall finalize the Basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalized in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorized according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be Allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the allotment shall be made as follows:
 - Each successful Bidder shall be Allotted a minimum of [●] Equity Shares; and
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above.
- e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that number is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. All Bidders in such categories would be Allotted Equity Shares arrived at after such rounding off.
- f) 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.

Payment of Refund

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Demographic Details including Bidders' address, bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing in the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference:

1. **ECS (Electronic Clearing Services) / NECS (National Electronic Clearing Services)**– Payment of refund would be done through ECS/ NECS for applicants having an account at any of the centers where such facility has been made available.

This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive refund through Direct Credit, NEFT or RTGS. ECS / NECS may also be done at other locations based on operational efficiency and in terms of Demographic Details obtained by Registrar to the Issue from the Depository Participants.

2. **Direct Credit** – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Bid cum Application form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.
3. **RTGS (Real Time Gross Settlement)** – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds Rs. one lac, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the Indian Financial System Code (“IFSC”) code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS / NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant’s bank receiving the credit would be borne by the Bidder.
4. **NEFT (National Electronic Fund Transfer)** – Payment of refund shall be undertaken through NEFT wherever the applicants’ bank branch is NEFT enabled and has been assigned the Indian IFSC code, which can be linked to a Magnetic Ink Character Recognition (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 MICR code. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrars to the Issue. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in this section.
5. For all other applicants, 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 Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Refunds to any specified category of applicants may be made in any other electronic manner permissible under the banking laws for the time being in force, if specified by SEBI in this regard.

DISPOSAL OF APPLICATIONS AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

Our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within two working days of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS / NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Bid/Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 15 days of Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within seven working days of finalization of the Basis of Allotment of Equity Shares.

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 dematerialized form within 15 (fifteen) days of the Bid/Issue Closing Date;
- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (fifteen) days of the Bid/Issue Closing Date would be ensured; and

Our Company shall pay interest at 15% per annum for any delay beyond the 15 day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 15 day time prescribed above as per guidelines issued by the Government of India, Ministry of Finance and as further modified by the SEBI ICDR Regulations.

Letters of Allotment or Refund Orders

Our Company shall give credit to the beneficiary account with depository participants within two working days of Allotment of Equity Shares, and shall dispatch refund orders, if any, of value up to Rs. 1,500, by “Under Certificate of Posting”, and will dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder’s sole risk within 15 days of the Bid/Issue Closing Date. Applicants residing at the centers where ECS / NECS facility has been made available, where clearing houses are managed by the RBI, will get refunds through ECS / NECS subject to adequate details being available in the Demographic Details received from the Depositories, except where applicant is otherwise disclosed as eligible to get refunds through Direct Credit and RTGS or any other mode as mentioned above.

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 will be made only in dematerialized form within 15 days from the Bid/Issue Closing Date;

Dispatch of refunds will be done within 15 days from the Bid/Issue Closing Date; and

It will pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if allotment is not made, refund instruction are not given and/or demat credits are not made to investors within the 15 day time prescribed above.

Our Company will provide adequate funds required for dispatch of refunds orders or Allotment advice to the Registrar to the Issue.

Refunds will be made through any of the modes described above and bank charges, if any, for encashing cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Interest in case of delay in dispatch of Allotment letters/refund orders

We agree that Allotment of Equity Shares offered to the public shall be made not later than 15 days from the Bid/Issue Closing Date. We further agree that we shall pay interest at 15% per annum if the Allotment letters/refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within 15 days from the Bid/Issue Closing Date.

In case of revision in the Price Band, the Bidding Period will be extended for three additional days after revision of 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, will be widely disseminated by notification to SCSBs, BSE and NSE, and will be published in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper, each with wide circulation, and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors declares that:

- All monies received out of this Issue shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- Details of all unutilised monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- that the complaints received in respect of the Issue shall be attended to expeditiously and satisfactorily;
- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the Basis of Allotment;
- that the funds required for 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 the refunds are effected through the electronic transfer of funds, suitable communication shall be sent to the applicants within 15 days of Bid/Issue Closing Date giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of the refund;
- that the certificates of the Equity Shares/ refund orders / letter of Allotment / Allotment advice / letter intimating credit of funds to the Eligible NRIs shall be dispatched within specified time;
- that no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Red Herring Prospectus are listed or till the application monies are refunded on account of non-listing, under-subscription etc; and
- that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount (ASBA) and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. Our Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed. Any further issue of Equity Shares by our Company shall be in compliance with applicable laws. If the Issue is withdrawn after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Board.

ISSUE PROCEDURE FOR ASBA BIDDERS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.

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

ASBA Process

A Bidder (other than a QIB) shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode through internet banking facility, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder (“**ASBA Account**”) is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the BRLM through the Registrar to the Issue shall notify the SCSBs to unblock the blocked amount of the ASBA Bidders latest by the next day of receipt of such instruction.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the stamp of the Syndicate Members and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Draft Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids.

On submission of the ASBA Bid cum Application Form, the ASBA Bidders are deemed to have authorised (i) the SCSB to do all acts as are necessary to make the Application in the Issue, including uploading his/her Bid, blocking or unblocking of funds in the bank account maintained with the SCSB specified in the ASBA Bid cum Application Form, transfer of funds to the Public Issue Account on receipt of instruction

from the Registrar to the Issue after finalisation of the Basis of Allotment; and (ii) the Registrar to the Issue to issue instructions to the SCSB to remove the block on the funds in the bank account specified in the ASBA Bid cum Application Form, upon finalisation of the Basis of Allotment.

Upon the allocation of Equity Shares, dispatch of the CAN and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the Designated Branch of the SCSB, the ASBA Bidder is deemed to have authorized 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 Bidder.

The prescribed colour of the ASBA Bid cum Application Form shall be white.

Who can Bid?

In accordance with the SEBI ICDR Regulations, a Bidder (Other than a QIB) can submit their application through ASBA process to bid for the Equity Shares of our Company.

A QIB is not permitted to submit an application through the ASBA Process to Bid for the Equity Shares of our Company.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. ASBA Bidders who are Resident Individual Bidders (including HUFs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the Bidding options in the Issue, will be categorised as Retail Individual Bidders. ASBA Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs. 100,000 will be categorised as Non Institutional Bidders.

Information for the ASBA Bidders:

- a. The BRLM shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLM shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form and that the same are made available on the websites of the SCSBs.
- b. ASBA Bidders, under the ASBA process, who would like to obtain the Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the SCSBs or the BRLM. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.
- c. The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.
- d. ASBA Bid cum Application Forms should bear the stamp of the Syndicate Members and/or Designated Branch of the SCSB. ASBA Bid cum Application Forms which do not bear such stamp will be rejected.
- 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 respective Designated Branch. 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 application.

- 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. No more than five ASBA Bid cum Applications can be submitted per bank account in the Issue.
- g. ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the Demographic Details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

Method and Process of Bidding

- a. ASBA Bidders are required to submit their Bids, either in physical or electronic mode through internet banking facility. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI ICDR Regulations and this Draft Red Herring Prospectus.
- b. The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a 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.
- c. Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.
- d. 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.
- e. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip (“TRS”). The TRS shall be furnished to the ASBA Bidder on request.
- f. 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 bidding on one ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. 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 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.

Bidding

- a. If the Price Band is not mentioned in the Red Herring Prospectus as filed with the RoC, the Price Band and the minimum Bid Lot Size for the Issue shall be decided by our Company, in consultation with the BRLM, and advertised in two newspapers (one in English, one in Hindi, and one regional newspaper) at least two days prior to the Bid/Issue Opening Date.
- 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 up or down to the extent of 20% of the Floor Price disclosed at least two days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.
- c. In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the [●] language and also by indicating the change on the websites of the BRLM and SCSBs and at the terminals of members of the Syndicate.
- d. Our Company in consultation with the BRLM can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.
- e. ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable (i.e. the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.
- f. In case of an upward revision in the Price Band announced as above, the ASBA Bidders who had Bid at Cut-off Price could either (i) revise their ASBA Bid or (ii) instruct to block additional amount based on the revised Cap Price (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 100,000 for Retail Individual Bidders, if the Bidder wants to continue to Bid at Cut-off Price), with the Controlling Branch or Designated Branch of the SCSBs to whom the original ASBA Bid cum Application Form was submitted. In case the total amount (i.e., original Bid Amount plus additional amount blocked) exceeds Rs. 100,000 for Retail Individual Bidders the Bid will be considered for allocation under the Non Institutional Portion in terms of this Draft Red Herring Prospectus. If, however, the ASBA Bidder does not either revise the ASBA Bid or instruct to block additional amount 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 the no additional amount would be required to be blocked from the ASBA Bidder and the ASBA Bidder is deemed to have approved such revised Bid.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode through internet banking, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amounts paid in cash, by money order or by postal order, or by stock invest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order, stock invest or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the SEBI ICDR Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said 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.

The entire Bid Amount, as per the Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts from the time of the submission of the ASBA Bid cum Application Form, whether in physical or electronic mode, until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

- a. In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Bid cum Application Form in the electronic bidding system of the Stock Exchange(s) unless
 - (i) it has received the ASBA in a physical or electronic form; and
 - (ii) it has blocked the application money in the bank account specified in the ASBA or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.
- b. The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bid/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such bids that are not uploaded may not be considered for allocation.
- c. The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online at all the Designated Branches of the SCSBs and on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available at all the Designated Branches of the SCSBs during the Bidding Period.
- d. At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:
 - Name of the Bidder(s);
 - Application Number;
 - Permanent Account Number;
 - Details of bid options, (a) number of Equity Shares for each Bid, (b) Bid rate for each Bid
 - Depository Participant Identification Number; and
 - Client identification Number of the Bidder's beneficiary account.

In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchanges.

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- e. A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares bid for shall be Allocated to the ASBA Bidders.
 - f. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
 - g. It is to be distinctly understood that 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 or the BRLM or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges, nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of our Company, our management or any scheme or project of our Company.
 - h. It is also to be distinctly understood that the approval given by the Stock Exchanges should not in any way be deemed or construed that this Draft Red Herring Prospectus has been 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 contents of this Draft Red Herring Prospectus; nor does it warrant that our Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
 - i. The SCSB may reject the ASBA Bid upon receipt of ASBA Bid cum Application Form, if the bank account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, our Company would have a right to reject the Bids only on technical grounds.
 - j. Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for Allocation/Allotment. In case of discrepancy of data between the Stock Exchanges and the Designated Branches of the SCSBs, the decision of the Registrar to the Issue, in consultation with the BRLM, our Company and the Designated Stock Exchange, based on the physical / electronic records, as the case may be, of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

- a. Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the Stock Exchanges mainframe on a regular basis, in accordance with market practices.
- b. The book gets built up at various price levels. This information will be available with the BRLM, the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis.
- c. During the Bid/Issue Period, any ASBA Bidder who has registered his/ her or its interest in the Equity Shares at a particular price level is free to revise his/ her or its Bid within the Price Band using the printed ASBA Revision Form, which is a part of the ASBA Bid cum Application Form. Revisions can be made in both the desired number of Equity Shares and the Bid Amount (including the price per Equity Share) by using the ASBA Revision Form. Apart from mentioning the revised options in the revision form, the ASBA Bidder must also mention the details of all the options in his/ her or its ASBA Bid cum Application Form or earlier ASBA Revision Form. For example, if an ASBA Bidder has Bid for three options in the ASBA Bid cum Application Form and he is changing only one of the options in the ASBA Revision Form, he must still fill the details of the other two options that are not being revised, in the ASBA Revision Form. The SCSB will not accept incomplete or inaccurate Revision Forms.
- d. The ASBA Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the ASBA Bidders will have to use the services of the same Designated Branch of the SCSB with whom he/she or it holds the bank account. ASBA Bidders are advised to retain copies of the ASBA Revision Form and the revised Bid must be made only in such ASBA Revision Form or copies thereof.

- e. Any revision of the Bid shall be accompanied by an instruction to block the incremental amount on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be unblocked by the SCSB.
- f. When an ASBA Bidder revises his/her or its Bid, he/she or it shall surrender the earlier TRS and get a revised TRS from the SCSBs. **It is the responsibility of the ASBA Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**
- g. The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue. Further the decision of the Registrar to the Issue in consultation with the BRLM, our Company and the Designated Stock Exchange, in this regard shall be final and binding.
- h. Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for Allocation / Allotment.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the BRLM shall aggregate the demand generated under the ASBA process and which details are provided to them by the Registrar to the Issue to determine the demand generated at different price levels. For further details, refer paragraph titled “*Price Discovery and Allocation*” beginning on page 238 of the Draft Red Herring Prospectus.

Signing of Underwriting Agreement and RoC Filing

- (a) Our Company, the BRLM and the Syndicate Members shall enter into an Underwriting Agreement on finalization of the Issue Price and Allocation / Allotment to the Bidders.
- (b) After signing the Underwriting Agreement, we shall update and file the updated Red Herring Prospectus with the RoC, which then would be termed the ‘Prospectus’. The Prospectus would contain details of the Issue Price and Issue size.

Advertisement regarding Issue Price and Prospectus

After filing of the Prospectus with the RoC, a statutory advertisement will be issued by our Company in one English national daily newspaper, one Hindi national daily newspaper and one regional language newspaper, each with wide circulation. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

- (a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that our Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and
- (b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

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 and transfer the requisite money to the Public Issue Account designated for this purpose, within the timelines specified in the ASBA facility: (a) 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 sub para (ii) above, shall be transferred to the Public Issue Account, (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn/unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. The SCSBs shall then unblock the relevant bank accounts for, (a) the transfer of the requisite money to the Public Issue Account against each valid ASBA, (b) the withdrawn/rejected/unsuccessful ASBA Bids, (c) the excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

- (a) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date.
- (b) As per the SEBI ICDR Regulations, **Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees.** Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

General Instructions

Do's:

- a. Check if you are eligible to Bid under ASBA process.
- b. Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.
- c. Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in colour).
- d. Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.
- e. Ensure that your Bid is submitted at a Designated Branch of a SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar to the Issue or BRLM.
- f. Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.
- g. Ensure that you have mentioned the correct bank account number in the ASBA Bid cum Application Form.
- h. Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.

- i. Ensure that you have correctly checked the authorisation box in the ASBA Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.
- j. Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.
- k. Ensure that you have mentioned your Permanent Account Number (“PAN”) allotted under the I.T. Act.
- l. Ensure that the name(s) and PAN(s) given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN(s) in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid 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 ASBA Bid cum Application Form.
- m. Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

- a. Do not submit an ASBA Bid if you are QIB.
- b. Do not Bid for lower than the minimum Bid size.
- c. Do not Bid on another ASBA or non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.
- d. Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.
- e. Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.
- f. Do not submit more than five ASBA Bid cum Application Forms per bank account for the Issue.
- g. Do not submit the GIR number instead of the PAN.
- h. Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

- a. Made only in the prescribed ASBA Bid cum Application Form, which is white in colour if submitted in physical mode, or electronic mode.
- b. In single name or in joint names (not more than three and in the same order as their Depository Participant details).
- c. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein and in the ASBA Bid cum Application Form.
- d. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum of [●] Equity Shares such that the Bid Amount does not exceed the maximum investment limits prescribed under law.

- e. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY ACCOUNT NUMBER AND PERMANENT ACCOUNT NUMBER IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, THE PERMANENT ACCOUNT NUMBER IN THE ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED TO THE DEPOSITORY ACCOUNT. IN CASE THE 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 ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, Demographic Details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is 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.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the members of the Syndicate, our Company, Registrar to the Issue, or the BRLM shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

Payment mechanism under ASBA

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the 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 the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the amount in the relevant bank account. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject such ASBA Bids.

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 ASBA Bid cum Application Form, subject to such terms and conditions that we, in consultation with the BRLM may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall do the necessary, including deletion of details of the withdrawn ASBA Bid from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account.

In case an ASBA 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 on finalization of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one Bid for the total number of Equity Shares desired. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described under paragraph “*Multiple Bids*” beginning on page 247 of the Draft Red Herring Prospectus.

Permanent Account Number

For details, see “*Permanent Account Number or PAN*” beginning on page 248 of the Draft Red Herring Prospectus.

Right to Reject ASBA Bids

The Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder’s bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder’s bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUNDINGS FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under "*Grounds for Technical Rejection*" beginning on page 249 of the Draft Red Herring Prospectus, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Application on plain paper;
2. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;
3. Submission of more than five ASBA Bid cum Application Form per bank account in the Issue;
4. Age of first Bidder not given;
5. Bids made by QIBs;
6. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors (Except through their natural / legal guardian), insane persons and persons of unsound mind;
7. ASBA Bid cum Application Form not being signed by the bank account holder, if the bank account holder is different from the Bidder;
8. PAN not stated, or GIR number furnished instead of PAN. See "*Permanent Account Number or PAN*" beginning on page 248 of the Draft Red Herring Prospectus;
9. Bids for number of Equity Shares, which are not in multiples of [●];
10. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;
11. Multiple Bids as defined in this Draft Red Herring Prospectus;
12. In case of Bid under power of attorney, relevant documents are not submitted;
13. ASBA Bids accompanied by money order/postal order/cash/stockinvest;
14. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;
15. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or Syndicate Member;
16. ASBA Bid cum Application Form does not have the Bidder's depository account details;
17. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Draft Red Herring Prospectus;
18. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account; and
19. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number;

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid was submitted, bank account number in which the amount equivalent to the Bid amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB 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, including its Designated Branches and the branches where the ASBA Accounts are held. Our

Company, the BRLM, the Syndicate Members and the Registrar to the Issue accept no responsibility for errors, omissions, commissions or any acts of SCSB's including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre- or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, see "*Impersonation*" beginning on page 251 of the Draft Red Herring Prospectus.

DISPOSAL OF APPLICATIONS AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI ICDR Regulations, we undertake that:

- Allotment and transfer shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date;
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date; and
- We shall pay interest at 15% per annum for any delay beyond the 15 day period mentioned above, if Allotment is not made, instructions for unblocking of ASBA Bidder's Bank Account are not dispatched and/or demat credits are not made to investors within the 15 day period prescribed above.

Basis of Allotment

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The Basis of Allotment to such valid ASBA and non-ASBA Bidders will be that applicable to investors of the category in which the Bids have been made. For details, see "*Basis of Allotment*" beginning on page 252 of the Draft Red Herring Prospectus.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders who are Resident Individual Bidders (including HUFs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the Bidding options in the Issue, will be categorised as Retail Individual Bidders. ASBA Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs. 100,000 will be categorised as Non Institutional Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by our Company

In addition to our undertakings described under "*Undertakings by our Company*" beginning on page 258 of the Draft Red Herring Prospectus, with respect to the ASBA Bidders, we undertake that adequate arrangement shall be made to collect all ASBA Bid cum Application Forms and to consider ASBA Bidders similar to other Bidders while finalizing the Basis of Allotment.

Utilisation of Issue Proceeds

Our Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, refer paragraph titled “*Utilization of Issue Proceeds*” beginning on page 258 of the Draft Red Herring Prospectus.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment limit is allowed up to 100% under automatic route in our Company.

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents.

Transfers of Equity Shares previously required the prior approval of the FIPB. However, vide a RBI circular dated October 4, 2004 issued by the RBI, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION X - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

| Title of Article | Article Number and contents |
|---|--|
| Table "A" not to apply but company to be governed by these Articles | 1. The regulations contained in Table "A" in the First Schedule of the Companies Act, 1956 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act 1956 be such as are contained in these Articles. |

INTERPRETATION

| Title of Article | Article Number and contents |
|-----------------------------|---|
| Interpretation Clause | 2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context: |
| the Act | (a) "the Act" means the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force. |
| these Articles | (b) "these Articles" means Articles of Association for the time being in force or as may be altered from time to time <i>vide</i> Special Resolution. |
| Auditors | (c) "Auditors" means and includes those persons appointed as such for the time being of the Company. |
| Board or Board of Directors | (d) "Board" or "Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively. |
| Capital | (e) "Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company. |
| Chairman | (f) "The Chairman" means the Chairman of the Board of Directors, for the time being, of the Company |
| Charge | (g) "Charge" includes a mortgage. |
| Company | (h) The "Company" shall mean Asian Business Exhibition & Conferences Limited. |
| Debenture | (i) "Debenture" includes debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not. |
| Directors | (j) "Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles. |
| Dividend | (k) "Dividend" includes bonus unless otherwise stated. |
| Executor or Administrator | (l) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of |

| Title of Article | Article Number and contents |
|---|---|
| | competent jurisdiction and shall include a holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. |
| Gender | (m) Words importing the masculine gender shall be deemed to include the feminine gender and <i>vice versa</i> . |
| In writing and written | (n) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form. |
| Legal Representative | (o) "Legal Representative" means a person who in law represents the estate of a deceased Member. |
| Marginal Notes | (p) The marginal notes hereto shall not affect the construction thereof. |
| Members | (q) "Members" means the duly registered holders, from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company. |
| Board Meeting or Meeting of Board | (r) "Board Meeting" or "Meeting of Board" means meeting of the Board of Directors. |
| Annual General Meeting or General Meeting | (s) "Annual General Meeting" or "General Meeting" means a General Meeting of the Members held in accordance with the provision of section 166 of the Act |
| Extra-Ordinary General Meeting | (t) "Extra-Ordinary General Meeting" means an extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof |
| Memorandum | (u) "Memorandum" means the Memorandum of Association of the Company as originally framed and/or altered from time to time. |
| Month | (v) "Month" means a calendar month |
| National Company Law Tribunal | (w) "National Company Law Tribunal" means National Company Law Tribunal (Tribunal) as defined under section 10FB of the Companies Act, 1956. |
| Office | (x) "Office" means the registered office for the time being of the Company |
| Ordinary Resolution | (y) "Ordinary Resolution" shall have the meanings assigned to it by Section 189 of the Act |
| Paid Up | (z) "Paid-up" includes capital credited as paid up |
| Person | (aa) "Person" shall be deemed to include corporations and firms as well as individuals. |
| Proxy | (ab) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. |
| Public Holiday | (ac) "Public Holiday" means public holiday within the meaning of the |

| Title of Article | Article Number and contents |
|---|---|
| | Negotiable Instruments Act, 1881 provided that no date declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting. |
| The Register of Members | (ad) "The Register of Members" means the Register of Members to be kept pursuant to Section 150 of the Act |
| The Registrar | (ae) "The Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated. |
| Seal | (af) "Seal" means the common seal for the time being of the Company. |
| Secretary | (ag) "Secretary" means any individual possessing the prescribed qualifications under the Companies (Secretary's Qualification) Rules, 1975 appointed by the Board to perform the duties of a Secretary |
| Shares | (ah) "Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied |
| Special Resolution | (ai) "Special Resolution" shall have the meanings assigned to it by Section 189 of the Act. |
| The Statutes | (aj) "The Statutes" means the Companies Act, 1956 and every other Act for the time being in force affecting the Company |
| Year | (ak) "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act |
| Singular Number | (al) Words importing the Singular number include where the context admits or requires the plural number and <i>vice versa</i> . |
| These presents | (am)"These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time. |
| Variation | (an)Variation" shall include abrogation; and "vary" shall include abrogate. |
| Expressions in the Act to bear the same meaning in Articles | (ao) Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force. |

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

| Title of Article | Article Number and contents |
|------------------|---|
| Share Capital | 3. The authorised share capital of the Company shall be as per paragraph V of the Memorandum of Association of the Company with power to increase or reduce the share capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, or such other rights, privileges or conditions as may be determined in accordance with the regulations of the Company and to vary, modify, abrogate any such rights, privileges of conditions in such manner as may be provided by the regulations of the Company and consolidate, sub-divide the shares and issue shares of higher or lower denomination. Further, the Company may from time to time by Ordinary Resolution increase its |

| Title of Article | Article Number and contents |
|--|--|
| | authorised share capital by such sum and to be divided into Shares of such amount as may be specified in the resolution. |
| Increase of capital by the Company how carried into effect | <p>4.</p> <p>The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act</p> |
| New Capital same as existing capital | <p>5.</p> <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> |
| Non Voting Shares | <p>6.</p> <p>The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.</p> |
| Redeemable Preference Shares | <p>7.</p> <p>Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.</p> |
| Voting rights of preference shares | <p>8.</p> <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> |
| Provisions to apply on issue of Redeemable Preference Shares | <p>9.</p> <p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 80 of the Act. The redemption of preference shares hereunder may be effected in accordance with the terms</p> |

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| | and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. |
| Reduction of capital | <p>10.</p> <p>The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p> |
| Purchase of own Shares | <p>11.</p> <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p> |
| Sub-division consolidation and cancellation of Shares | <p>12.</p> <p>Subject to the provisions of Section 94 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p> |

MODIFICATION OF RIGHTS

| Title of Article | Article Number and contents |
|------------------------|--|
| Modification of rights | <p>13.</p> <p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall <i>mutatis mutandis</i> apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.</p> |

SHARES, CERTIFICATES AND DEMATERIALISATION

| Title of Article | Article Number and contents |
|------------------|---|
| Restriction on | <p>14.</p> <p>The Board of Directors shall observe the restrictions on allotment of Shares to the</p> |

| Title of Article | Article Number and contents |
|-----------------------------------|---|
| allotment and return of allotment | public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act. |
| Further issue of shares | <p>15.</p> <p>(1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then:</p> <p>(a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date;</p> <p>(b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than fifteen days from the date of the offer and the offer, if not accepted, will be deemed to have been declined;</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;</p> <p>(d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.</p> <p>(2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.</p> <p>(a) If a Special Resolution to that effect is passed by the Company in General Meeting; or</p> <p>(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p> <p>(3) Nothing in sub-clause (c) of (1) hereof shall be deemed;</p> <p>(a) To extend the time within which the offer should be accepted; or</p> <p>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.</p> <p>(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:</p> <p>(i) To convert such debentures or loans into Shares in the Company; or</p> <p>(ii) To subscribe for Shares in the Company</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and</p> <p>(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.</p> |

| Title of Article | Article Number and contents |
|---|---|
| Shares at the disposal of the Directors | <p>16.</p> <p>(1) Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p> <p>(2) Subject to the provisions of section 81(1A) of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, provision of these articles and such other rules, procedures, Regulations and Guidelines as may be applicable any preferential issue of equity shares/warrants/fully convertible debentures/partially convertible debentures or any other financial instruments by the company which would be converted into or exchanged with equity shares at a later date shall be under the control of the Board which may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times either at par or at a premium and for such consideration as the Board thinks fit.</p> |
| Power to offer Shares/options to acquire Shares | <p>16A</p> <p>(i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>(ii) In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.</p> |

| Title of Article | Article Number and contents |
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| Application of premium received on Shares | <p>17.</p> <p>(1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company.</p> <p>(2) The security premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <p>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;</p> <p>(b) In writing off the preliminary expenses of the Company;</p> <p>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or</p> <p>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</p> |
| Power also to Company in General Meeting to issue Shares | <p>18.</p> <p>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p> |
| Power of General Meeting to authorize Board to offer Shares/Options to employees | <p>18A</p> <p>Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose</p> <p>In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p> |

| Title of Article | Article Number and contents |
|---|---|
| Shares at a discount | <p>19.</p> <p>The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely:</p> <p>(a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board;</p> <p>(b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and</p> <p>(c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.</p> |
| Installments of Shares to be duly paid | <p>20.</p> <p>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p> |
| The Board may issue Shares as fully paid-up | <p>21.</p> <p>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p> |
| Acceptance of Shares | <p>22.</p> <p>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p> |
| Deposit and call etc., to be debt payable | <p>23.</p> <p>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p> |
| Liability of Members | <p>24.</p> <p>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.</p> |
| Dematerialisation | <p>25.(A)</p> |

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| of securities | <p>Definitions</p> <p>Beneficial Owner “Beneficial Owner” means a person whose name is recorded as such with a Depository.</p> <p>SEBI “SEBI” means the Securities and Exchange Board of India as established under section 3 of Securities and Exchange Board of India Act, 1992.</p> <p>Bye-Laws “Bye-Laws” mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p>Depositories Act “Depositories Act” means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository “Depository” means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record “Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations “Regulations” mean the regulations made by SEBI;</p> <p>Security/ Securities “Security” means such security/ securities as may be specified by SEBI.</p> |
| Dematerialisation of securities | <p>25.(B)</p> <p>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p> |
| Options to receive security certificates or hold securities with depository | <p>25.(C)</p> <p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p> |
| Securities in depositories to be in fungible form | <p>25.(D)</p> <p>All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.</p> |
| Rights of depositories and beneficial owners | <p>25.(E)</p> <p>(1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> |

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| | (3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository. |
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| Depository To Furnish Information | 25.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf. |
| Service documents | 25.(G) of Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs. |
| Option to opt out in respect of any security | 25.(H) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be. |
| Sections 83 and 108 of the Act not to apply | 25.(I) Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository. |
| Share certificate | 26. (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them. (c) The Board may, from time to time, subject to the provisions of the Act and these Articles sub-divide/consolidate Share Certificates. |
| Limitation of time for issue of certificates | 26A. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under |

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| | <p>the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.</p> |
| <p>Renewal of share certificates</p> | <p>27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.</p> |
| <p>Issue of new certificate in place of one defaced, lost or destroyed</p> | <p>28. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall <i>mutatis mutandis</i> apply to Debentures of the Company.</p> |
| <p>The first name joint holder deemed sole holder</p> | <p>29. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p> |
| <p>Issue of Shares without Voting Rights</p> | <p>30. 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> |
| <p>Buy-Back of Shares and Securities</p> | <p>31. 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,</p> |

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| | subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 77 and SEBI (Buy back of Shares) Regulations as may be permitted by law. |
| Employees Stock Options Scheme/ Plan | <p>32.</p> <p>The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as “the Employees”) as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.</p> |
| Sweat Equity | <p>33.</p> <p>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.</p> |
| Postal Ballot | <p>34.</p> <p>The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central 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.</p> |
| Company not bound to recognize any interest in Shares other than of registered holder | <p>35.</p> <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> |
| Trust recognised | <p>36.</p> <p>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p> |

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| Declaration by person not holding beneficial interest in any Shares | <p>37.</p> <p>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act</p> <p>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>(4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p> |
| Funds of Company not to be applied in purchase of Shares of the Company | <p>38.</p> <p>No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any Share in the Company in its holding Company.</p> |

UNDERWRITING AND BROKERAGE

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| Commission may be paid | <p>39.</p> <p>Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.</p> |
| Brokerage | <p>40.</p> <p>The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.</p> |
| Commission to be included in the annual return | <p>41.</p> <p>Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement</p> |

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| | thereof shall be made in the annual return as required by Part I of Schedule V to the Act. |

INTEREST OUT OF CAPITAL

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| Interest out of capital | 42. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant. |

DEBENTURES

| Title of Article | Article Number and contents |
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| Debentures with voting rights not to be issued | 43. (a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business. (b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act. (c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act. (d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act. (e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. (f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred. (g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof. (h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges. |

CALLS

| Title of Article | Article Number and contents |
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| Directors may make calls | <p>44.</p> <p>(a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p> |
| Notice of call when to be given | <p>45.</p> <p>Not less than fourteen days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.</p> |
| Call deemed to have been made | <p>46.</p> <p>A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p> |
| Directors may extend time | <p>47.</p> <p>The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour.</p> |
| Amount payable at fixed time or by installments to be treated as calls | <p>48.</p> <p>If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p> |
| When interest on call or installment payable | <p>49.</p> <p>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.</p> |
| Evidence in action by Company against share holder | <p>50.</p> <p>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which</p> |

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| | <p>the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p> |
| <p>Payment in anticipation of calls may carry interest</p> | <p>51. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> |
| | <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> |
| | <p>The provisions of these Articles shall <i>mutatis mutandis</i> apply to the calls on Debentures of the Company.</p> |

LIEN

| Title of Article | Article Number and contents |
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| <p>Partial payment not to preclude forfeiture</p> | <p>52. Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.</p> |
| <p>Company's lien on Shares/ Debentures</p> | <p>53. The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/ Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. Further, the fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted</p> |

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| | | to moneys called or payable at a fixed time in respect of such shares; |
| As to enforcing lien by sale | 54. | <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members</p> <p>(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p> |
| Application of proceeds of sale | 55. | <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p> |

FORFEITURE OF SHARES

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| If money payable on Shares not paid notice to be given | <p>56.</p> <p>If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.</p> |
| Sum payable on allotment to be deemed a call | <p>57.</p> <p>For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.</p> |

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| Form of notice | <p>58.</p> <p>The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p> |
| In default of payment Shares to be forfeited | <p>59.</p> <p>If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.</p> |
| Notice of forfeiture to a Member | <p>60.</p> <p>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.</p> |
| Forfeited Shares to be the property of the Company and may be sold etc. | <p>61.</p> <p>Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.</p> |
| Member still liable for money owing at the time of forfeiture and interest | <p>62.</p> <p>Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.</p> |
| Effects of forfeiture | <p>63.</p> <p>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.</p> |
| Power to annul forfeiture | <p>64.</p> <p>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.</p> |

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| Declaration of forfeiture | <p>65</p> <p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.</p> |
| Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum. | <p>66.</p> <p>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p> |
| Cancellation of shares certificates in respect of forfeited Shares | <p>67.</p> <p>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.</p> |
| Evidence of forfeiture | <p>68.</p> <p>The declaration as mentioned in Article 65(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> |
| Validity of sale | <p>69.</p> <p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against</p> |

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| | the Company exclusively. |
| Surrender of Shares | 70. The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit. |

TRANSFER AND TRANSMISSION OF SHARES

| Title of Article | Article Number and contents |
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| No transfers to minors etc. | 71. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind. |
| Instrument of transfer | 72. 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. Further, a common transfer form shall be used. |
| Application for transfer | 73. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. |
| Execution of transfer | 74. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with. |
| Transfer by legal representatives | 75. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer. |
| Register of Members etc when closed | 76. The Board of Directors shall have power on giving not less than seven days pervious notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. |

| Directors may refuse to register transfer | <p>77.</p> <p>Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on partly paid up Shares.</p> |
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| Title of Article | Article Number and contents |
| Death of one or more joint holders of Shares | <p>78.</p> <p>In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.</p> |
| Titles of Shares of deceased Member | <p>79.</p> <p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.</p> |
| Notice of application when to be given | <p>80.</p> <p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.</p> |
| Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause) | <p>81.</p> <p>Subject to the provisions of the Act and Article 78 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument</p> |

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| | of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the “Transmission Clause”. |
| Refusal to register nominee | 82. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration. |
| Person entitled may receive dividend without being registered as a Member | 83. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share. |
| No fee on transfer or transmissions | 84. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document. |

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| Transfer to be presented with evidence of title | 85. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. |
| Company not liable for disregard of a notice prohibiting registration of transfer | 86. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. |

SHARE WARRANTS

| Title of Article | Article Number and contents |
|-------------------------------|---|
| Power to issue share warrants | 87. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty |

| Title of Article | Article Number and contents |
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| | on the warrant and such fee as the Board may, from time to time, require, issue a share warrant. |
| Deposit of share warrants | 88. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant (b) Not more than one person shall be recognized as depositor of the Share warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor |
| Privileges and disabilities of the holders of share warrant | 89. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. |
| Issue of new share warrant coupons | 90. The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction. |

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

| Title of Article | Article Number and contents |
|--|---|
| Share may be converted into stock | 91. The Company may, by Ordinary Resolution: (a) Convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares. |
| Transfer of stock | 92. The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, form time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose. |
| Right of stock holders | 93. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages. |
| Regulation applicable to stock and share warrant | 94. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively. |

BORROWING POWERS

| Title of Article | Article Number and contents |
|---|--|
| Power to borrow | <p>95.</p> <p>Subject to the provisions of Sections 58A, 292 and 370 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p> |
| The payment or repayment of moneys borrowed | <p>96.</p> <p>The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p> |
| Bonds, Debentures, etc. to be subject to control of Directors | <p>97.</p> <p>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.</p> |
| Terms of issue of Debentures | <p>98.</p> <p>Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p> |
| Mortgage of uncalled capital | <p>99.</p> <p>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.</p> |

MEETING OF MEMBERS

| Title of Article | Article Number and contents |
|-------------------|---|
| Statutory meeting | <p>100.</p> <p>The statutory meeting shall be held in accordance with the provisions of Section 165 of the Act within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business.</p> |
| Annual Meeting | <p>101.</p> <p>The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the provisions of Section 166 (1) of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. Then company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.</p> |

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| Report statement and registers to be laid before the Annual General Meeting | <p>102.</p> <p>The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.</p> |
| Extra-Ordinary General Meeting | <p>103.</p> <p>All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.</p> |
| Requisitionists' meeting | <p>104.</p> <p>(1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:-</p> <p>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>(2) The number of Members necessary for a requisition under clause (1) hereof shall be</p> <p>(a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>(b) not less than one hundred Members having the rights aforesaid and holding Shares in the Company on which there has been paid up an aggregate sum of not less than Rupees one lac in all.</p> <p>(3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>(a) A copy of the requisition signed by, the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>(i) In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting.</p> <p>(ii) the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>(b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto.</p> <p>PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof.</p> <p>(5) The Company shall also not be bound under this Article to circulate any statement,</p> |

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| | <p>if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p> |
| <p>Extra-Ordinary General Meeting by Board and by requisition</p> <p>When a Director or any two Members may call an Extra Ordinary General Meeting</p> | <p>105.</p> <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p> |
| <p>Contents of requisition, and number of requisitionists required and the conduct of Meeting</p> | <p>106.</p> <p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(i) By the requisitionists themselves ; or</p> <p>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.</p> <p>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to</p> |

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| | <p>prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p> |
| <p>Length of notice of Meeting</p> | <p>107.</p> <p>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p> |
| <p>Contents and manner of service of notice</p> | <p>108</p> <p>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act;</p> <p>(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company</p> <p>PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p> <p>(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p> |

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| Special and ordinary business and explanatory statement | <p>109.</p> <p>(1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place, of those retiring; and</p> <p>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special</p> <p>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> |
| Omission to give notice not to invalidate proceedings | <p>110.</p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p> |

MEETING OF MEMBERS

| Title of Article | Article Number and contents |
|---|---|
| Notice of business to be given | <p>111.</p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p> |
| Quorum | <p>112.</p> <p>Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.</p> |
| If quorum not present when Meeting to be dissolved and when to be adjourned | <p>113.</p> <p>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.</p> |
| Resolution passed at adjourned Meeting | <p>114.</p> <p>Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on</p> |

| Title of Article | Article Number and contents |
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| Chairman of General Meeting. | <p>which it was in fact passed and shall not be deemed to have been passed on any earlier date.</p> <p>115. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.</p> |
| Title of Article | Article Number and contents |
| Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required. | <p>115(A) Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.</p> |
| Business confined to election of Chairman whilst the Chair is vacant | <p>116. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.</p> |
| Chairman may adjourn Meeting | <p>117. (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.</p> |
| How questions are decided at Meetings | <p>118. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.</p> |
| Chairman's declaration of result of voting on show of hands | <p>119. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.</p> |
| Demand of poll | <p>120. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.</p> |
| | 121. |

| Title of Article | Article Number and contents |
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| Time of taking poll | A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken. |
| Chairman's casting vote | 122. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member. |
| Appointment of scrutineers | 123. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause. |
| Demand for poll not to prevent transaction of other business | 124. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded. |
| Special notice | 125. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting. |

VOTES OF MEMBERS

| Title of Article | Article Number and contents |
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| Member paying money in advance not to be entitled to vote in respect thereof | 126. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable. |
| Restriction on exercise of voting rights of Members who have not paid calls | 127. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. |
| Number of votes to which Member entitled | 128. Subject to the provisions of Article 126, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate |

| Title of Article | Article Number and contents |
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| | <p>present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.</p> |
| Votes of Members of unsound mind | <p>129. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.</p> |
| Votes of joint Members | <p>130. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.</p> |
| Representation of body corporate | <p>131. (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat. (b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p> |
| Votes in respects of deceased or insolvent Members | <p>132. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the</p> |

| Title of Article | Article Number and contents |
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| | <p>time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.</p> |
| Voting in person or by proxy | <p>133. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.</p> |
| Rights of Members to use votes differently | <p>134. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses</p> |
| Proxies | <p>135. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.</p> |
| Proxy either for specified meeting or for a period | <p>136. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.</p> |
| No proxy to vote on a show of hands | <p>137. No proxy shall be entitled to vote by a show of hands.</p> |
| Instrument of proxy when to be deposited | <p>138. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notorially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.</p> |
| Form of Proxy | <p>139. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.</p> |
| Validity of votes given by proxy notwithstanding revocation of authority | <p>140. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.</p> |
| | <p>141.</p> |

| Title of Article | Article Number and contents |
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| Time for objection to vote | No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting. |
| Chairman of any Meeting to be the judge of Validity of any value | 142. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive. |
| Custody of Instrument | 143. If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company. |

DIRECTORS

| Title of Article | Article Number and contents |
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| Number of Directors | 144. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve. |
| First Directors | 144A. The First Directors of the Company shall be:- <ol style="list-style-type: none"> 1. Sumit Mohan Singh Gandhi 2. Surendra Mohan Singh Gandhi 3. Satinder Pal Kaur Gandhi 4. Manish Mohan Singh Gandhi |
| Appointment of Directors | 145. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable. |
| Debenture Directors | 146. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein. |
| Nominee Director or Corporation Director | 147. a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or |

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| | <p>private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.</p> <p>b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the moneys owing by the Company to the Corporation being paid off</p> <p>d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p> |
| Special Director | <p>148.</p> <p>The Company shall subject to the provisions of the Act, be entitled to agree with any person, firm or corporations that he or it shall have the right to appoint him or its nominee or nominees on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit.</p> <p>Such nominee and their successors in office appointed under this Article shall be called "Special Director" of the Company.</p> <p>The Special Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, Board Meeting and meetings of the committee of which the Special Director/s is/are members/s as also the minutes of</p> |

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| | <p>such meetings. Such Special Directors shall not be required to hold any qualification shares nor be liable to retire by rotation.</p> <p>The Special Directors appointed hereof shall be entitled to hold office until requested to retire by the Person, firm or corporation which may have appointed him/them and not will be liable to retire by rotation. As and when the Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the Person, firm corporation who are or which appointed such Director may appoint any other Director in his place. A Special Director may, at any time, by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as may other Director of the Company</p> |
| Limit on number of retaining Directors | <p>149.</p> <p>The provisions of Articles 146, 147, 148 and 149 are subject to the provisions of Section 256 of the Act and number of such Directors appointed under Article 147 shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p> |
| Alternate Director | <p>150.</p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.</p> |
| Directors may fill in vacancies | <p>151.</p> <p>The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.</p> |
| Additional Directors | <p>152.</p> <p>The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.</p> |
| Qualification shares | <p>153.</p> <p>A Director need not hold any qualification shares.</p> |
| Directors' sitting fees | <p>154.</p> <p>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid</p> |

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| Extra remuneration to Directors for special work | <p>such higher fees as the Company in General Meeting shall from time to time determine.</p> <p>155.</p> <p>Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <p>i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or</p> <p>ii) by way of commission if the Company by a Special Resolution authorised such payment.</p> |
| Traveling expenses incurred by Directors on Company's business | <p>156.</p> <p>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.</p> |
| Director may act notwithstanding vacancy | <p>157.</p> <p>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.</p> |

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| Board resolution necessary for certain contracts | <p>158.</p> <p>(1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company.</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, PROVIDED THAT such contract or contracts do not relate</p> |

| Title of Article | Article Number and contents |
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| | <p>to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;</p> <p>(2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(3) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into.</p> <p>(4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(5) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p> |
| <p>Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director</p> | <p>159.</p> <p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p> |
| <p>Directors of interest</p> | <p>160.</p> <p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act.</p> |
| <p>General notice of disclosure</p> | <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</p> |
| <p>Directors and Managing Director may contract with Company</p> | <p>161.</p> <p>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be</p> |

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| | disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with. |
| Disqualification of the Director | <p>162.</p> <p>A person shall not be capable of being appointed Director of the Company if:-</p> <p>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</p> <p>(b) he is an undischarged insolvent;</p> <p>(c) he has applied to be adjudged an insolvent and his application is pending;</p> <p>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</p> <p>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>(f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.</p> |
| Vacation of office by Directors | <p>163. The office of Director shall become vacant if:-</p> <p>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</p> <p>(b) he applies to be adjudged an insolvent; or</p> <p>(c) he is adjudged an insolvent; or</p> <p>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</p> <p>(e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or</p> <p>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or</p> <p>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or</p> <p>(i) he becomes disqualified by an order of the Court under Section 203 of the Act; or</p> <p>(j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(k) if by notice in writing to the Company, he resigns his office, or</p> <p>(l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p> |
| Vacation of office by Directors (contd.) | <p>164.</p> <p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 162 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or</p> |

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| | <p>order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p> |
| Removal of Directors | <p>165.</p> <p>(a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 190 of the Act, shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p> <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 262 of the Act be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under Article 163 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 153 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly</p> <p>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(h) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation of</p> |

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| | <p>damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p> |
| Interested Directors not to participate or vote in Board's proceedings | <p>166.</p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>(i) in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p> |
| Director may be director of companies promoted by the Company | <p>167.</p> <p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p> |
| Appointment of Sole Selling Agents | <p>168.</p> <p>a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable.</p> <p>b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act.</p> |

ROTATION AND APPOINTMENT OF DIRECTORS

| Title of Article | Article Number and contents |
|-------------------------|---|
| Rotation of Directors | <p>169.</p> <p>Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p> |
| Retirement of Directors | <p>170.</p> <p>Subject to the provisions of Articles 148 and 150, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p> |
| | <p>171.</p> |

| Title of Article | Article Number and contents |
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| Retiring Directors | <p>Subject to the provisions of Section 256 of the Act and Articles 146 to 153, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 184, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p> |
| Appointment of Technical or Executive Directors | <p>172.</p> <p>a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>b) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p> |
| Ascertainment of Directors retiring by rotation and filling of vacancies | <p>173.</p> <p>Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 174 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.</p> |
| Eligibility for re-election | <p>174.</p> <p>A retiring Director shall be eligible for re-election and shall act as a Director through out and till the conclusion of the Meeting at which he retires.</p> |
| Company to fill vacancies | <p>175.</p> <p>Subject to Sections 258, 259 and 294 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.</p> |
| Provision in default of appointment | <p>176.</p> <p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <p>(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.</p> <p>(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.</p> <p>(iii) he is not qualified or is disqualified for appointment</p> <p>(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>(v) the provision of the sub-section (2) of section 263 of the Act is applicable to the case.</p> |
| Company may increase or reduce the number of | <p>177.</p> <p>Subject to the provisions of Section 252,255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.</p> |

| Title of Article | Article Number and contents |
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| Directors or remove any Director | <p>178.</p> <p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p> |
| Notice of candidature for office of Directors except in certain cases | <p>179.</p> <p>(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director.</p> <p>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place.</p> <p>(3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 252 of the Act ,appointed as a Director re- appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p> |
| Disclosure by Directors of their holdings of their Shares and debentures of the Company | <p>180.</p> <p>Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p> |

| Title of Article | Article Number and contents |
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| Votes of Body Corporate | <p>181.</p> <p>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.</p> |

MANAGING DIRECTOR

| Title of Article | Article Number and contents |
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| Powers to appoint Managing Director | <p>182.</p> <p>(1) Subject to the provisions of the Act, the Board may from time to time appoint one or more of their body to the office of Managing Directors for such period and on such terms it may think fit and subject to the terms of any agreement entered into with him may revoke such appointment, in making such appointment(s) the Board shall ensure compliance with the requirements of law and seek and obtain such approvals as are prescribed by the Act.</p> <p>(2) Subject to the provisions of the Act and these Articles, the Managing Directors or Managing Director shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Managing Director or Managing Directors if he or they cease to hold the office of the Director for any cause.</p> |
| Remuneration of Managing Director | <p>183.</p> <p>The Managing Director or Managing Directors may be paid remuneration either by way of monthly payment or a specified percentage of the net profit of the Company or partly by one way and partly by other or any other mode not expressly prohibited by the Act.</p> |
| Certain persons not to be appointed Managing Director(s) | <p>184.</p> <p>The Company shall not appoint or employ or continue the appointment or employment of a person as its Managing Director or Whole-time Director who-</p> <ul style="list-style-type: none"> (a) is an undischarged insolvent or has at any time been adjudged an insolvent; (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; (c) is or has at any time been convicted by a court of an offence involving moral turpitude |
| Powers of Managing Director | <p>185.</p> <p>The Director may from time to time entrust to and confer upon a Managing Director or Wholetime Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any</p> |

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| | of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers. |
| | 186. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. |
| | 187. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company. |
| | 188. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. |
| | 189. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. |
| Appointment and powers of Manager | 189A The Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient. |

WHOLE TIME DIRECTOR

| Title of Article | Article Number and contents |
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| Power to appoint Whole Time Director and/or Whole-time Directors | 190. (1) Subject to the provisions of the Act in force from time to time, the Board may appoint one or more of their body to the office of the Whole Time Director of Whole Time Directors for a term not exceeding years at a time as may be thought fit and may from time to time (subject to provisions of any contract between him/them and the Company) remove or dismiss him or them from office and appoint any or others in or their place or places. (2) Subject to the provisions of the Act and these Articles, the Whole-time Directors or Whole-time Directors shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Whole-time Director or Whole-time Directors if he or they cease to hold the office of the Director for any cause. |
| To what provisions Whole | 191. Whole Time Director or Whole Time Directors shall carry out such functions as may be |

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| time Directors shall subject | assigned to him/them by the Managing Director from time to time or the Board of directors as it may deem fit. |
| | Whole Time Director or Whole Time Directors shall not be paid sitting fees for attending meeting of the Board of Directors or any committee(s) thereof. |
| Seniority of Whole Time Director and Managing Director | 192. If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company |

PROCEEDINGS OF THE BOARD OF DIRECTORS

| Title of Article | Article Number and contents |
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| Meeting of Directors | 193. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum. |
| Quorum | 194. (a) Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time. (b)for the purpose of clause(a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter. |
| Procedure when Meeting adjourned for want of quorum | 195. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place. |
| Chairman of Meeting | 196. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting. |
| Question at Board | 197. Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising |

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| meeting how decided | <p>at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.</p> |
| Powers of Board meeting | <p>198. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.</p> |
| Directors may appoint Committee | <p>199. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.</p> |
| Meeting of the Committee how to be governed | <p>200. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.</p> |
| Circular resolution | <p>201. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 201 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.</p> |
| Acts of Board or Committee valid notwithstanding defect in appointment | <p>202. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.</p> |

POWERS OF THE BOARD

| Title of Article | Article Number and contents |
|---|---|
| General powers of management vested in the Board of Directors | <p>203.</p> <p>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.</p> <p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <p>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>(b) remit, or give time for the repayment of, any debt due by a Director,</p> <p>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p> |
| Certain powers to be exercised by the Board only at Meetings | <p>204.</p> <p>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> |

| Title of Article | Article Number and contents |
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| | <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>(b) the power to issue Debentures,</p> <p>(c) the power to borrow moneys otherwise than on Debentures,</p> <p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1) (e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p> |
| Certain powers of the Board | <p>205.</p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <ol style="list-style-type: none"> 1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act. 3. Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. 5. To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. 6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. |

| Title of Article | Article Number and contents |
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| | 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. |
| | 8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon. |
| | 9. To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies. |
| | 10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. |
| | 11. Subject to the provisions of Sections 291, 292, 295, 370,372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. |
| | 12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. |
| | 13. To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose. |
| | 14. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company. |
| | 15. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. |
| | 16. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to |

| Title of Article | Article Number and contents |
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| | <p>depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p> <p>18. To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19. From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20. Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such</p> |

| Title of Article | Article Number and contents |
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| | <p>appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> |
| | <p>21. At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> |
| | <p>22. Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> |
| | <p>23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> |
| | <p>24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> |
| | <p>25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> |
| | <p>26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> |
| | <p>27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> |
| | <p>28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> |
| | <p>29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the</p> |

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| | <p>property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32. To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p> |

MANAGEMENT

| Title of Article | Article Number and contents |
|---|--|
| Prohibition of simultaneous appointment of different categories of managerial personnel | <p>206.</p> <p>The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :-</p> <p>a) Managing Director and</p> <p>b) Manager.</p> |

MINUTES

| Title of Article | Article Number and contents |
|--------------------|---|
| Minutes to be made | <p>207.</p> <p>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> |

| Title of Article | Article Number and contents |
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| Minutes to be evidence of the proceeds | <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p> <p>208.</p> <p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.</p> |
| Books of minutes of General Meeting to be kept | <p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p> |
| Presumptions | <p>209.</p> <p>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.</p> |

THE SECRETARY

| Title of Article | Article Number and contents |
|-------------------------------|---|
| Secretary | <p>210.</p> <p>The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.</p> |
| The Seal, its custody and use | <p>211.</p> <p>(a) Seal</p> <p>The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.</p> <p>(b) Common Seal for use outside India</p> <p>The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956</p> <p>(c) Safe Custody of Seal</p> <p>The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company.</p> |

| Title of Article | Article Number and contents |
|------------------|---|
| | (d) Affixing of Seal on deeds and instruments' |
| | <p>On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed.</p> |
| | (e) Affixing of Seal on Share Certificates |
| | <p>Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being.</p> |
| | (f) Removal of Common Seal outside the office premises |
| | <p>The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.</p> |

DIVIDENDS AND CAPITALISATION OF RESERVES

| Title of Article | Article Number and contents |
|---|--|
| | 212. |
| Division of profits | <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares,</p> |
| | <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p> |
| | 213. |
| The Company at General Meeting may declare dividend | <p>The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.</p> |
| | 214. |
| Dividends out of profits only | <p>No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.</p> |
| | 215. |
| Interim dividend | <p>The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.</p> |
| | 216. |
| Debts may be deducted | <p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p> |
| | 217. |

| Title of Article | Article Number and contents |
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| Capital paid-up in advance to carry interest, not the right to earn dividend | Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits. |
| Dividends in proportion to amounts paid-up | 218. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly. |
| No Member to receive dividend while indebted to the Company and the Company's right in respect thereof | 219. No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company. |
| Effect of transfer of Shares | 220. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer. |
| Dividend to joint holders | 221. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares. |
| Dividend how remitted | 222. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means. |
| Notice of dividend | 223. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided. |
| Reserves | 224. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit. |
| Dividend to be paid within time required by law. | 225. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:- |
| | (a) where the dividend could not be paid by reason of the operation on any law; or |

| Title of Article | Article Number and contents |
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| Unpaid unclaimed dividend | <p>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or</p> <p>(c) where there is dispute regarding the right to receive the dividend; or</p> <p>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or</p> <p>(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</p> <p>226.</p> <p>or Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Asian Business Exhibition & Conferences Limited (year) Unpaid Dividend Account”.</p> |
| Set-off of calls against dividends | <p>Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act.</p> <p>There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law</p> <p>227.</p> <p>Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.</p> |
| Dividends in cash | <p>228.</p> <p>No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.</p> |
| Capitalisation | <p>229.</p> <p>(1)The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</p> <p>(b)that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> |

| Title of Article | Article Number and contents |
|-------------------------|---|
| Board to give effect | <p>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</p> <p>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</p> <p>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</p> <p>(3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p> <p>230.</p> <p>The Board shall give effect to the resolution passed by the Company in pursuance of above Article.</p> <p>231.</p> |
| Fractional certificates | <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and</p> <p>(b) Generally do all acts and things required to give effect thereto.</p> <p>(2)The Board shall have full power:</p> <p>(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also</p> <p>(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>(4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p> |

ACCOUNTS

| Title of Article | Article Number and Contents |
|------------------|--|
| Books to be kept | <p>232.</p> <p>(1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place</p> <p>(b) all sales and purchases of goods by the Company</p> <p>(c) the assets and liabilities of the Company and</p> <p>(d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of</p> |

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| | <p>Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p> |
| Inspection by Members | <p>233.</p> <p>No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board.</p> |
| Statements of accounts to be furnished to General Meeting | <p>234.</p> <p>The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.</p> |
| Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219 | <p>235.</p> <p>(1) The Company shall comply with the requirements of Section 219 of the Act.</p> <p>(2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p> |
| Title of Article | Article Number and contents |
| Accounts to be audited | <p>236.</p> <p>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.</p> |
| Appointment of Auditors | <p>237.</p> <p>(1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act.</p> <p>(2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor.</p> <p>(3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:</p> <ol style="list-style-type: none"> he is not qualified for re-appointment; he has given to the Company notice in writing of his unwillingness to be re-appointed; a resolution has been passed at that Meeting appointing some body instead of him or providing expressly that he shall not be re-appointed; or |

(d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with.

(4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.

(5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government.

(6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting.

(7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

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| Accounts when audited and approved to be conclusive except as to errors discovered within 3 months | Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive. |
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DOCUMENTS AND NOTICES

| Title of Article | Article Number and Contents |
|--|--|
| To whom documents must be served or given | 239. Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 109, a statement of material facts referred to in Article 100 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company. |
| Members bound by documents or notices served on or given to previous holders | 240. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share. |
| Service of documents on the Company | 241. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its |

| Title of Article | Article Number and Contents |
|---|---|
| | Registered Office. 242. |
| Authentication of documents and proceedings | Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company. |

REGISTERS AND DOCUMENTS

| Title of Article | Article Number and Contents |
|---|--|
| | 243. |
| Registers and documents to be maintained by the Company | The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: <ul style="list-style-type: none"> (a) Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act (b) Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. (c) Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. (d) Foreign register, if so thought fit, as required by Section 157 of the Act (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. (f) Register of Directors and Secretaries etc. as required by Section 303 of the Act. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act. |
| Inspection of Registers | 244. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting. |

WINDING UP

| Title of Article | Article Number and Contents |
|-------------------------|---|
| | 245. |
| Distribution of assets | If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the |

| Title of Article | Article Number and Contents |
|--|--|
| | <p>Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.</p> |
| <p>Distribution in specie or kind</p> | <p>246.</p> <p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p> |
| <p>Right of shareholders in case of sale</p> | <p>247.</p> <p>A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.</p> |
| <p>Directors and others right to indemnity</p> | <p>248.</p> <p>Subject to the provisions of Section 201 of the Act, every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.</p> |

| Title of Article | Article Number and Contents |
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| Director, officer not responsible for acts of others | <p>249.</p> <p>Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.</p> |

SECRECY CLAUSE

| Title of Article | Article Number and Contents |
|---|--|
| Secrecy Clause | <p>250.</p> <p>Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p> |
| No Member to enter the premises of the Company without permission | <p>251.</p> <p>No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p> |

SECTION XI - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 530, Laxmi Plaza, Laxmi Industrial Estate, Andheri - West, Mumbai – 400 053, Maharashtra, India, from date of filing the Red Herring Prospectus with RoC to Bid / Issue Closing Date on working days from 10.00 a.m. to 4.00 p.m. from the date of filing of the Draft Red Herring Prospectus until the date of closure of the Issue.

Material Contracts

1. Memorandum of Understanding dated January 04, 2010 between our Company and the BRLM.
2. Memorandum of Understanding dated December 31, 2009 between our Company and Karvy Computershare Private Limited as Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the BRLM, Syndicate Member, Escrow Collection Bank and the Registrar to the Issue.
4. Syndicate Agreement dated [●] between our Company, BRLM, and the Syndicate Member.
5. Underwriting Agreement dated [●] between our Company, BRLM and the Syndicate Members.
6. Tripartite agreement among the NSDL, our Company and Karvy Computershare Private Limited dated [●].
7. Tripartite agreement among the CDSL, our Company and Karvy Computershare Private Limited dated [●].

Material Documents

1. The Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation issued to our Company, bearing the name “ASIAN BUSINESS eXHIBITION & CONFERENCES LIMITED” dated April 10, 2007 bearing CIN U74900MH2007PLC169832 issued by Assistant Registrar of Companies, Maharashtra, Mumbai.
3. Certificate of Commencement of Business issued to our Company, dated May 1, 2007 issued by Assistant Registrar of Companies, Maharashtra, Mumbai.
4. Extraordinary General Meeting resolution dated September 30, 2009 and the resolution of the Board dated September 26, 2009 authorising the Issue.
5. Copies of the annual reports of our Company for the years ended March 31, 2008 and 2009 and for the six month period ended September 30, 2009.
6. Copy of the ‘Statement of tax benefits’ report issued by R. Sanghvi & Co., Chartered Accountants, dated January 25, 2010.
7. Report of the Statutory Auditors dated January 25, 2010 from R. Sanghvi & Co., Chartered Accountants, on our Company’s restated standalone financial statements as of and for the Financial Years ended March 31, 2008 and 2009, and for the six month period ended September 30, 2009, and

on restated consolidated financial statements as of and for the six month period ended September 30, 2009.

8. Extraordinary General Meeting resolution dated September 30, 2009 and the resolution of the Board dated September 26, 2009 for re-appointment, change in terms of our Directors, namely Surendra Gandhi, Chairman & Managing Director, Sumit Gandhi, Whole Time Director, and Manish Gandhi, Whole Time Director.
9. Consents in writing of: our Directors; our Company Secretary and Compliance Officer; Statutory Auditor; Bankers to our Company; BRLM; Syndicate Members*; IPO Grading Agency*; Bankers to the Issue*; Refund Bank(s)*; the Registrar of the Issue, to act in their respective capacities.

* The aforesaid will be appointed and their consents as above would be obtained prior to filing the Red Herring Prospectus with the RoC.

10. In-principle listing approvals from BSE dated [●] and NSE dated [●].
11. Due Diligence Certificate dated January 29, 2010 issued to SEBI by the BRLM.
12. Special Power of Attorney executed by the Directors for signing and making corrections to the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus and other related documents on their behalf.
13. Master Event Agreement between Bennett, Coleman & Company Limited and our Company dated January 06, 2010.
14. Business transfer agreement between our Company and Asian Business Exhibitions and Conferences - proprietary concern of Sumit Gandhi, Indian Exhibitions & Conferences - proprietary concern of Manish Gandhi, and; Media Eleven - proprietary concern of Satinder Pal Kaur dated May 01, 2007.
15. Separate business non compete agreements between our Company and Surendra Gandhi, Sumit Gandhi, Manish Gandhi, Satinder Pal Kaur, Surendra Mohan Singh Gandhi HUF and New Media 29 Events Private Limited dated January 22, 2010.
16. Deed of Assignment of Trade Marks with Goodwill, assigning the trademarks to our Company, between Sumit Gandhi and our Company dated December 18, 2009.
17. Deed of Assignment of Copyrights, assigning the copyrights to our Company, between Asian Business Exhibitions and Conferences and our Company dated December 29, 2009.

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, hereby certify and declare that, all the relevant provisions of the Companies Act, and the guidelines issued by the Government of India and / or the regulations / guidelines issued by the Securities and Exchange Board of India, as applicable, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules, regulations 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 and correct.

SIGNED BY ALL THE DIRECTORS OF ASIAN BUSINESS eXHIBITION & CONFERENCES LIMITED

Surendra Mohan Singh Gandhi
Chairman & Managing Director

Sumit Mohan Singh Gandhi
Whole Time Director

Manish Mohan Singh Gandhi
Whole Time Director

Padmanabh P. Vora
Independent Director

Shri Bhagwan Agarwal*
Independent Director

Satyanarayanrao Dasika
Independent Director

* Signed through his constituted attorney Manish Mohan Singh Gandhi.

SIGNED BY THE CHAIRMAN & MANAGING DIRECTOR
Surendra Mohan Singh Gandhi

SIGNED BY THE CHIEF FINANCIAL OFFICER
Nitin Minocha

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER
Pravin N. Patil

Place: Mumbai
Date: January 29, 2010