



Birla Shloka Edutech Limited

(Our Company was incorporated on May 25, 1992 under the name of Rathi Mercantile & Management Services Private Ltd. Subsequently the Company was converted into a Public Limited Company on March 16, 1994 and the name was changed to Rathi Mercantile & Management Services Ltd. The name of the Company was then changed to Rathi Mercantile Industries Ltd. on May 23, 1994. On February 12, 2002, the name of the company was changed to Shloka Infotech Limited. Further the name of the company was changed to Birla Shloka Edutech Limited on December 26, 2008. For details in changes of our registered office, see the section titled "Our History and Corporate Structure" beginning on page 69 of this RHP)

Registered Office: Industry House, 5th Floor, 159, Churchgate Reclamation, Mumbai – 400 020.

Tel: +91-22-2202 6340, **Fax:** +91-22-2282 8865;

Corporate Office: Dalamal House, 1st Floor, 206, J.B.Marg, Nariman Point Mumbai – 400 021.

Tel: +91-22-6616 8400, **Fax:** +91-22-2204 7835;

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Contact person: Ms. Jigna Parikh, Company Secretary and Compliance Officer; **E-mail:** complianceofficer@birlashloka.com.

The Company is promoted by Mr. Yashovardhan Birla, M/s. Birla Capital and Financial Services Ltd, M/s. Nirved Traders Pvt. Ltd., M/s. Shearson Investment & Trading Co. Pvt. Ltd., M/s. Godavari Corporation Pvt. Ltd., and M/s. Asian Distributors Pvt. Ltd.

ISSUE OF [•] EQUITY SHARES OF Rs. 10/- EACH FOR CASH AT A PRICE OF Rs. [•] PER EQUITY SHARE AGGREGATING TO Rs. 3477.50 LAKHS (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE ISSUE COMPRISES PROMOTER'S CONTRIBUTION OF [•] EQUITY SHARES OF Rs. 10/- EACH AT A PRICE OF Rs. [•] PER EQUITY SHARE AGGREGATING TO Rs. 500.00 LAKHS (HEREINAFTER REFERRED TO AS PROMOTER'S CONTRIBUTION) AND NET ISSUE TO THE PUBLIC (HEREINAFTER REFERRED TO AS "THE NET ISSUE" OR "NET ISSUE TO THE PUBLIC") OF [•] EQUITY SHARES AGGREGATING TO Rs. 2977.50 LAKHS. THE NET ISSUE WOULD CONSTITUTE [•] % OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (BRLM) AND ADVERTISED AT LEAST ONE (1) WORKING DAY PRIOR TO THE BID OPENING DATE.

THE ISSUE PRICE: Rs. [•] PER EQUITY SHARE OF FACE VALUE OF Rs. 10/- EACH. THE ISSUE PRICE IS [•] TIMES THE FACE VALUE.

In case of revision in the Price Band, the Bidding Period/Issue Period will be extended for three additional working days after such revision, 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 the Bombay Stock Exchange Limited (the "BSE"), whose online IPO System will only be available for bidding, by issuing press release and also by indicating the change on the website of Book Running Lead Manager (the "BRLM") and the terminals of the members of Syndicate.

This Issue is being made through 100% Book Building Process wherein upto 50% of the Net Issue to the Public will be available for allocation to Qualified Institutional Buyers ("QIB") on a proportionate basis, subject to valid bids being received at or above the Issue Price. Out of the portion available for allocation to the QIBs, 5% will be available for allocation to Mutual Funds only. Mutual Funds Bidders shall also be eligible for proportionate allocation under the balance available for the QIBs. Further, at least 15% of the Net Issue to the Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Net Issue to the Public shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price.

GENERAL RISKS

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

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of the Company are presently listed on BSE, CSE and ASE and the shares issued through the RHP are proposed to be listed on all of these exchanges. The Company has received the in-principle approvals from BSE, CSE and ASE for the listing of the Equity Shares pursuant to their letters DCS/IPO/BS/IPO-IP/772/2009-10 dated October 23, 2009, CSEA/LD/521/2009 dated November 3, 2009 and ASE/LD/2009/920 dated October 27, 2009 respectively. For the purpose of this Issue, BSE is the Designated Stock Exchange.



BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE ISSUE	
 ASHIKA <i>Growing & Sharing with You</i>	Ashika Capital Limited 1008, Raheja Centre, 214, Nariman Point, Mumbai – 400 021 Tel : +91 - 22 – 66111700 Fax: +91 - 22 – 66111710 Email: mbd@ashikagroup.com Website: www.ashikadirect.com SEBI Regn No: INM 000010536 Contact Person: Ms. Anshika Haldia/Ms. Nimisha Joshi		Bigshare Services Private Limited E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072. Tel: +91 - 22 - 2847 3747/3474 Fax: +91 - 22 - 2847 5207 Email: bigshare@bom7.vsnl.net.in Website: www.bigshareonline.com SEBI Regn No - INR000001385 Contact Person: Mr. Ashok Shetty
ISSUE PROGRAMME			
BID/ISSUE OPENS ON: JANUARY 11, 2010		BID/ISSUE CLOSSES ON: JANUARY 13, 2010	

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SECTION I - DEFINITIONS AND ABBREVIATIONS

I. CONVENTIONAL / GENERAL TERMS:

TERM	DESCRIPTION
Articles / Articles of Association / AoA	Articles of Association of Birla Shloka Edutech Limited
ASE	Ahmedabad Stock Exchange Limited, Ahmedabad
BSE	Bombay Stock Exchange Limited, Mumbai
Companies Act	The Companies Act, 1956, as amended from time to time for the time being in force
CSE	Calcutta Stock Exchange Limited, Kolkata
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time for the time being in force
Depository Participant	A depository participant as defined under the Depositories Act
DSE	Delhi Stock Exchange Association Limited, New Delhi
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations framed there under for the time being in force
Financial Year/FY / 31st March	Period of twelve months ended March 31 st of that particular year.
FIs	Financial Institutions
FII/ Foreign Institutional Investor	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India
Indian GAAP	Generally Accepted Accounting Principles in India
IT Act	The Income-Tax Act, 1961, as amended from time to time and for the time being in force
Memorandum / Memorandum of Association / MoA	The Memorandum of Association of Birla Shloka Edutech Limited
NRI / Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under FEMA (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2000.
OCB	Overseas Corporate Bodies
SCRR	Securities Contracts (Regulations) Rules, 1957 as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on September 03, 2009, as amended, including instructions and clarifications issued by SEBI from time to time

II. OFFERING-RELATED TERMS:

Term	Description
Allotment/ Allotment of Equity Shares	Unless the context otherwise requires, issue of Equity Shares pursuant to this Issue.
Allottee	The successful applicant to whom the Equity Shares are being / or have been issued or transferred
ASBA	An application for subscribing to an issue, containing an authorisation to block the application money in a bank account.
ASBA Investor	An Investor who intends to apply through ASBA process and (a) is a “Resident Retail Individual Investor”, “High Networth Individuals”, “Corporate Investors” etc. except Qualified Institutional Buyers. (b) is bidding at cut-off, with single bid option as to the number of shares bid for; (c) is applying through blocking of funds in a bank account with the SCSB; (d) has agreed not to revise his/her bid
ASBA Form	Bid cum Application form for an ASBA Investor intending to subscribe through ASBA
Banker(s) to the Issue	Standard Chartered Bank, HDFC Bank Ltd, ICICI Bank Ltd , Axis Bank Ltd and HSBC Ltd.
Basis of Allotment	The basis on which Equity Shares will be allotted to bidders under the issue and which is described in “Issue Procedure – Basis of Allotment” on page no. 314
Bid	An indication to make an offer, made during the Bidding Period by a prospective investor to subscribe to the Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form and payable by the Bidder on submission of the Bid for this Issue.
Bid/ Issue Closing Date	January 13, 2010, the date after which the members of the Syndicate will not accept any Bids for this Issue, which shall be notified in a widely circulated English national newspaper, a Hindi national newspaper and a regional newspaper.
Bid/ Issue Opening Date	January 11, 2010, the date on which the members of the Syndicate shall start accepting Bids for this Issue, which shall be the date notified in a widely circulated English national newspaper, a Hindi national newspaper and a regional newspaper.
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 this RHP.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this RHP and the Bid-cum-Application Form.
Book Building Process / Method	Book building mechanism as provided under Schedule XI of the SEBI Regulations, in terms of which this Issue is made.
BRLM	Book Running Lead Manager to this Issue, in this case being - Ashika Capital Limited
CAN/ Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of Issue Price in the Book Building Process.
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.
Cut-off	The Issue Price finalised by our Company in consultation with the BRLMs and it shall be any price within the Price Band. A Bid submitted at the Cut-off Price by a Retail Individual Bidder is a valid Bid at all price levels within the Price Band.

Term	Description
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account after the Prospectus is filed with the Registrar of Companies, Maharashtra, following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	In this case being Bombay Stock Exchange Limited (BSE)
DRHP	Draft Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars on the price at which the equity shares are offered and the size (in terms of value) of the Issue
ECS	Electronic Clearing Service
Eligible NRI	NRI from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each unless otherwise specified in the context thereof.
Escrow Account	Account opened with Escrow Collection Bank(s) and in whose favour the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement dated December 22, 2009 entered into among our Company, the Registrar to this Issue, the Escrow Collection Banks 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.
Escrow Collection Bank(s)/ Banker(s) to this Issue	The banks, which are registered with SEBI as Banker (s) to the Issue at which the Escrow Account for the Issue will be opened, in this case being Standard Chartered Bank, HDFC Bank Ltd, ICICI Bank Ltd, Axis Bank Ltd and HSBC Ltd.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form.
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 National	A citizen of India as defined under the Indian Citizenship Act, 1955, as amended, who is not an NRI.
Issue size	Issue of [●] equity shares of Rs. 10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. 3477.50 lakhs (hereinafter referred to as the "issue"). The issue comprises promoter's contribution of [●] equity shares of Rs. 10/- each at a price of Rs. [●] per equity share aggregating to Rs. 500.00 lakhs (hereinafter referred to as promoter's contribution) and Net Issue to the public (hereinafter referred to as "The Net Issue" or "Net Issue to the public") of [●] equity shares aggregating to Rs. 2977.50 lakhs. The net issue would constitute [●] % of the fully diluted post issue paid-up capital of our company.
Issue/ Bidding Period	The period between the Bid / Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids.
Issue Price	Rs [●] per share of equity share of face value of Rs 10 each, the final price at which Equity Shares will be issued and allotted in terms of this RHP. The Issue Price has been decided by our Company in consultation with the BRLM on the Pricing Date.
Mutual Funds	Means mutual funds registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the QIB Portion of this issue available for allocation to Mutual Funds only

Term	Description
	i.e. Issue of [●] equity shares of Rs 10/- each for cash at a price of Rs [●] aggregating Rs 74.45lakhs
NEFT	National Electronic Fund Transfer
Net Issue to public	The Issue less The Promoters Contribution is referred to as Net Issue to Public i.e. Issue of [●] Equity Shares of Rs. 10 each for cash at a price of Rs [●] aggregating Rs. 2977.50Lakhs.
Non Institutional Bidders	All Bidders 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	The portion of this Issue being at least 15% of the Net Issue consisting of [●] Equity shares of Rs.10 each aggregating Rs. 446.625Lakhs, available for allocation to Non Institutional Bidders.
Pay-in Date	Bid/ Issue Closing Date or the last date specified in the CAN sent to Bidders receiving allocation who pay less than 100% margin money 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 QIBs, whose Margin Amount is 10% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in date
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.
Pricing Date	The date on which our Company in consultation with the BRLM finalised the Issue Price.
Prospectus	The Prospectus, filed with the Registrar of Companies, Maharashtra, Mumbai 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 to this Issue to receive monies from the Escrow Account for this Issue on the Designated Date.
Public Issue Committee	A committee of the Board of Directors comprising Mr. Tushar Dey, Mr. Anoj Menon and Mr. Mohandas Shenoy Adige appointed for the purpose of carrying out various actions in relation to the Issue
QIB Margin Amount	An amount representing at least 10% of the Bid Amount.
QIB Portion	Consists of issue of [●] Equity Shares of Rs. 10 each at a price of Rs. [●] for cash aggregating upto Rs. 1488.75Lakhs being up to 50% of the Net Issue, available for allocation to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only.
Qualified Institutional Buyers or QIBs	Public financial institution as defined in section 4A of the Companies Act, 1956, scheduled commercial banks, mutual funds registered with SEBI, foreign institutional investor registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority (IRDA), provident funds with minimum corpus of Rs. 2,500 lakhs and pension funds with minimum corpus of Rs.2,500 lakhs. National Investment Fund set up by Resolution F.NO. 2/3/2005 DD 11 Dated Nov.23,2005
Red Herring Prospectus	The Red Herring Prospectus dated December 23, 2009 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. It carries the

Term	Description
	same obligations as are applicable in case of a Prospectus and will be filed with the Registrar of Companies, Maharashtra, Mumbai at least three days before the opening of this Issue. It will become a Prospectus after filing with the Registrar of Companies, Maharashtra, Mumbai, after pricing and allocation.
Refund Banker	HDFC Bank Ltd.
Refunds through electronic transfer of funds	Means refunds through ECS, Direct Credit, NEFT or RTGS as applicable
Registrar/ Registrar to this Issue	Registrars to this issue being Bigshare Services Pvt. Ltd. having its Registered Office as indicated on the cover page
Retail Individual Bidders	Individual Bidders (including HUFs) who have Bid for an amount less than or equal to Rs.1,00,000 in any of the bidding options in this Issue.
Retail Portion	Consists of issue of [●] Equity Shares of Rs. 10 each for cash at a price of Rs [●] aggregating to Rs. 1042.125 lakhs, being at least 35% of the Net Issue, available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
RTGS	Real Time Gross Settlement
Self Certified Syndicate Bank (SCSB)	Self Certified Syndicate Bank (SCSB) is a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Syndicate	The BRLM and the Syndicate Members.
Syndicate Agreement	The agreement dated December 22, 2009 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. Syndicate members are appointed by the BRLM and in this case being Ashika Stock Broking Limited, Mangal Keshav Securities Limited and Guinness Securities Limited.
Transaction Registration Slip/ TRS	The slip or document issued by the Syndicate Members to the Bidders as proof of registration of the Bid.
Underwriters	The BRLM and the Syndicate Members.
Underwriting Agreement	The Agreement among the Underwriters and our Company entered into on or after the Pricing Date.

III. COMPANY/ INDUSTRY-RELATED TERMS:

TERM	DESCRIPTION
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
Auditors	The statutory and tax auditors of our Company is M/s L.K.M & Co, Chartered Accountants
Birla Shloka Edutech Limited/ BSEL/We/ Us/ our Company/ the issuer	Unless the context otherwise indicates or implies refers to Birla Shloka Edutech Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office at Maharashtra
Board of Directors	The Board of Directors of Birla Shloka Edutech Limited or a committee thereof
Compliance Officer	Compliance Officer of our Company in this case being, Ms. Jigna Parikh, Company Secretary
Corporate Office	Dalamal House, 1 st Floor, 206, J.B.Marg, Nariman Point, Mumbai – 400 021
Director(s)	Director(s) of our Company unless otherwise specified
Equity Shares	Equity shares of face value of Rs.10 each of our Company unless otherwise specified in the context thereof
Equity Shareholders	Persons holding Equity shares of our Company unless otherwise specified in the context otherwise.
Face Value	Value of paid-up Equity Capital per Equity Share, in this case Rs. 10/- each.
FVCI	Foreign Venture Capital Investor registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
Non-Resident	An applicant who is not an NRI or FII and not a person resident in India.
Promoter(s)	Persons whose name have been inserted as promoters as referred on page 89
Registered Office of our Company	Registered Office of our Company is situated at Industry House, 5 th Floor, 159, Churchgate Reclamation, Mumbai - 400 020, Maharashtra.

In the section entitled “Main Provisions of Articles of Association of our Company”, defined terms have the meaning given to such terms in the Articles of Association of our Company.

IV. ABBREVIATIONS:

ABBREVIATION	FULL FORM
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
BRLM	Book Running Lead Manager
BIFR	Board For Industrial & Financial Reconstruction
BOOT	Build, Own Operate & Transfer
BSEL	Birla Shloka Edutech Limited
CAGR	Compounded Annual Growth Rate
Capex	Capital Expenditure
CD	Compact Disc
CDSL	Central Depository Securities Ltd.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIN	Company Identity Number
CIT	Commissioner Of Income Tax
DPID	Depository Participant Identification
EBDITA	Earnings Before Depreciation, Interest, Tax and Amortization
EGM	Extraordinary General Meeting
EPS	Earnings Per Equity Share i.e. profit after tax divided by outstanding number of Equity Shares at the year end.
FCNR Account	Foreign Currency Non Resident Account
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI	Government of India
HOD	Head of Department
HR	Human Resources
HUF	Hindu Undivided Family
INR/ Rs	Indian National Rupee
ICT	Information & Communication Technology
JV	Joint Venture
JVC	Joint Venture Company
Ltd.	Limited
MoU	Memorandum of Understanding
N.A. / n.a.	Not Applicable
NAV	Net Asset Value being paid-up Equity Share Capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of Profit & Loss account, divided by number of issued Equity Shares.
NRE Account	Non Resident External Account
NRI	Non-Resident Indian
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depositories Limited
OCB	Overseas Corporate Bodies
OEM's	Original Equipment Manufacturer
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PPP	Public Private Partnership
Pvt.	Private
Pvt. Ltd.	Private Limited

QIP	Qualified Institutional Placement
RBI	The Reserve Bank of India
RoC	The Registrar of Companies, 100, Everest Building, Marine Lines, Mumbai 400-020 Maharashtra, India.
ROM	Read Only Memory
RoNW	Return on Net Worth
SEBI	Securities & Exchange Board of India
Sec.	Section
UIN	Unique Identification Number
VCF	Venture Capital Funds
YBG	Yash Birla Group

SECTION II – GENERAL

NO OFFER IN THE UNITED STATES

The Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the “United States” or “U.S.”) or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S under the Securities Act (“Regulation S”), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in this RHP are being offered in India, but not in the United States. The offering to which this RHP relates is not, and under no circumstances is to be construed as, an offering of any shares for sale in the United States or as a solicitation therein of an offer to buy any of the said shares. Accordingly, this RHP should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is, a resident of the United States and to whom an offer, if made, would result in requiring registration of this RHP with the United States Securities and Exchange Commission. Rights may not be transferred or sold to any U.S. Person.

CERTAIN CONVENTIONS: USE OF FINANCIAL AND MARKET DATA

In this RHP, the terms “we”, “us”, “our”, the “Company”, “our Company”, “BSEL” “Birla Shloka Edutech”, unless the context otherwise indicates or implies, refers to Birla Shloka Edutech Limited. In this RHP, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lakh or Lac” means “one Hundred thousand”, the word “Crore” means “hundred Lakhs”, the word “million (million)” means “ten lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this RHP, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. Throughout this RHP, all figures have been expressed in Rupees, except when stated otherwise. All references to “Rupees” and “Rs” in this RHP are to the legal currency of India.

Unless indicated otherwise, the financial data in this RHP is derived from our restated standalone financial statements prepared in accordance with Indian GAAP and included in this RHP. Unless indicated otherwise, the operational data in this RHP is presented on a standalone basis and refers to the operations of our Company. Our financial year commences on April 1 and ends on 31st March so all references to a particular 31st March year are to the twelve-month period ended 31st March of that year.

There are significant differences between Indian GAAP and U.S. GAAP; accordingly, the degree to which the Indian GAAP financial statements included in this RHP will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this RHP should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in this RHP, please refer to the section titled “Definitions and Abbreviations” beginning on page i this RHP. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, defined terms have the meaning given to such terms in the Articles of Association of our Company.

Market data used throughout this RHP has been obtained from internal Company reports and data, websites and industry publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although, we believe market data used in this RHP is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

FORWARD-LOOKING STATEMENTS

This RHP includes certain forward looking statements with respect to our financial condition, results of operations and business. These forward-looking statements can generally be identified by the fact that they do not relate to any historical or current facts. Forward-looking statements often use words such as “anticipate”, “expect”, “estimate”, “intend”, “plan”, “believe”, “will”, “may”, “should”, “would”, “could” or other words with similar meaning. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. By their nature, forward looking statements are subject to risk and uncertainty and there are a number of factors that could cause actual results and developments to differ materially from those expressed in or implied by, such forward-looking statements.

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

For further discussions of factors that could cause our actual results to differ, please see the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages xii and 184 of this RHP. 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 we, nor the BRLM, nor the other Underwriters, 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 the SEBI requirements, the Company, the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges are received in relation to the Equity Shares.

SECTION III – RISK FACTORS

RISK FACTORS

An investment in equity shares involves a degree of financial risk. You should carefully consider all information in this RHP, including the risks described below, before making an investment in our Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our business. Any of the following risks, as well as the other risks and uncertainties discussed in this RHP, could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline. In addition, the risks set out in this RHP may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

Note: Unless specified or quantified in the relevant risk factors below, our Company is not in a position to quantify the financial or other implication of any risks mentioned herein under:

Materiality:

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

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

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

RISK FACTORS INTERNAL TO OUR COMPANY:

1. Outstanding Litigations against/ by the company

(i) Civil Cases filed against our Company

Sl. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs.)	Current Status
1	www.chanakyanetstudy.com	Writ Petition No.8663 of 2007	High Court of Bombay	Dispute with respect to the Tender process adopted by Maharashtra Prathamik Shikshan Parishad. Although Company was not the party in the petition earlier, Company was subsequently made party through an amendment.	–	The petition has been admitted and is yet to come up for final hearing

(ii) Criminal cases against our company: Nil

(iii) Criminal cases filed by our company

Sl. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs.)	Current Status
1.	Mr. Satish Vicharen, Proprietor M/s. Satish Book Distributors, Pune	1436/SS/07	Metropolitan Magistrate, 23 rd Court at Esplanade, Mumbai	Complaint u/s 138 of the Negotiable Instruments Act, 1881	8,338	Next date of hearing is on 19 th January 2010.

The above case was filed by Shloka Publications Private Limited, a transferor Company under the Scheme of Amalgamation. The same is now continued by the Transferee Company as per the provisions of Section 394 of the Companies Act, 1956.

There is no other case filed against/by the company.

2. Litigations against Promoters & Promoter Group companies

Name	Nature of Litigation	No. of Cases	Amount (Rs. in Lacs)
Mr. Yashovardhan Birla	Criminal case against him Case filed by him	1 1	Not Ascertainable Not Ascertainable
Birla Cotsyn (India) Limited	Labour cases against the company Labour cases filed by the company Civil cases filed by the company Income Tax case	41 7 8 1	11.26 Not Ascertainable 16.58 886.14
Zenith Birla (India) Limited	Labour cases against the company Civil cases against the company Excise, Customs, Income Tax Sales Tax Civil Cases filed by the company Criminal Cases filed by the company	19 12 29 29 3	12.96 249.31 753.61 516.78 7.78
Dagger Forst Tools Limited	Employees Providend Fund Case Criminal Cases filed by the company Sales Tax	1 2 2	2.35 59.13 2.56
	Labour case against the company	1	Not Ascertainable
Birla Precision Technologies Limited (Previously known as Birla Kennametal Limited)	Civil Cases filed by the company Criminal Cases filed by the company Labour cases against the company	4 1 1	2.39 0.10 Not Ascertainable
Birla Capital and Financial Services Limited	Income Tax Case	1	532.22
Birla Transasia Carpets Limited	Excise, Income Tax Sales Tax Labour cases against the company Criminal Cases filed by the company	18 18 2	1.25 Not Ascertainable 18.35

Birla Power Solutions Limited	Sales Tax Cases	11	998.81
	Criminal Cases filed by the company	67	198.06
	Civil Cases filed by the company	20	155.67
	Consumer Forum and MRTTP	22	19.36
	Labour cases against the company	4	4.79
Melstar Information and Technologies Limited	Cases against the company	1	0.9
	Cases by the company	1	1.22
	Tax Laws	2	9.41
Asian Distributors Private Limited	Cases by the company	1	2.73
Birla Bombay Private Limited	Tax Cases	1	15.85
	Court Matter	3	26.09
	Cases filed by the company	1	Not Ascertainable
Birla Infrastructure Limited (Previously known as BCI International Limited)	Consumer Dispute	1	Not Ascertainable
	Cases filed by the company	1	30.6
	Income Tax case	4	28.55
Birla AccuCast Limited (Previously known as Birla Perucchini Limited)	Civil Cases filed against the company	7	41.61
	Case Filed by the company	3	39.32
Godavari Corporation Limited	Tax Case	4	254.29
	Cases filed against the company	2	2.67
	Cases filed by the company	1	Not Ascertainable
Tungabhadra Holdings Private Limited	Excise Case	3	Not Ascertainable
	Land Revenue Case	4	2.52
Birla Viking Travels Private Limited	Case Filed by the company	5	45.24
Birla International Pvt. Ltd	Wealth Tax, Income Tax	2	Not Ascertainable
Nirved Traders Pvt. Ltd.	Criminal case against the company	2	2.67
	Case filed by the company	1	Not Ascertainable
Shearson Investment Pvt. Ltd.	Tax Case	1	22.86
	Case against the company	2	6.82
	Case filed by the company	1	Not Ascertainable

For details please refer to the Section on “Outstanding Litigations and Material Development” on page 197 of this RHP

3. One of the promoter’s group companies namely Birla Bombay Pvt Ltd appears in the RBI Defaulters List.

Birla Bombay Pvt Ltd., one of our promoter group company, had issued a Bank Guarantee in favour of State Bank of India, Akola branch, on behalf of Akola Oil Industries Ltd (AOIL) for securing credit facilities availed by AOIL. AOIL defaulted in its repayment commitments to SBI and as a consequence SBI had filed recovery proceedings before DRT at Nagpur wherein Birla Bombay Pvt Ltd was made one of the defendants by the Bank. However, DRT vide its Order No.OA474/2001 dated 4th October, 2004 passed an order dismissing the claim of SBI against Birla Bombay Pvt Ltd. Now, SBI had filed an appeal before Debt Recovery Appellate Tribunal wherein, Birla Bombay Pvt. Ltd is also a respondent. Barring this, Birla Bombay Pvt Ltd, does not have any relation with AOIL.

4. Our requirement of funds for the proposed objects and the deployment of the Issue proceeds are based on management estimates and have not been appraised by any bank or financial institution.

The uses of proceeds of the Issue have been determined based on our management’s internal estimates and no bank or financial institution has appraised the use of proceeds to be raised through the Issue. A Project Committee has been formed consisting of Mr.Vijay Agarwal, Mr. Mohandas Shenoy and Mr.Anoji Menon, all Directors. This Committee

will monitor the implementation of the project as well as the use of proceeds of the Issue. In addition the audit committee of the Board will also be monitoring the use of proceeds of the Issue. We will disclose the details of the utilisation of the Issue proceeds, including interim use, under a separate head in our financial statements for fiscal 2010, 2011 and 2012, specifying the purpose for which such proceeds have been utilized as per the disclosure requirements of our listing agreements with the Stock Exchanges in India.

- 5. Any delay in identification of customers,, to whom we intend to undertake projects on a BOOT /BOO basis, for which a sum of Rs. 1500.00 lacs out of the total issue size, constituting 43.13% of the total cost of project is earmarked, will delay the implementation schedule and thereby impacting our revenue and profitability.**

The Education Department of Thane district in its circular dated 3rd of July, 2009 has mentioned our Company as one of the entities in the District which implements ICT projects in school and the said circular has recommended BSEL for the execution of the said project. 1057 schools come under the purview of the above circular.

- 6. We have not placed orders for any equipment, which amounts to Rs. 1496.25 lacs and constitutes 100% of the total equipments proposed to be purchased and funded by the proceeds of this issue. Any delay in procurement of equipment may delay the implementation schedule which may also lead to increase in prices of these equipments, further affecting our cost, revenue and profitability.**

These equipments are readily available in the market and can be procured easily. Therefore, the order for these equipments will be placed as and when the funds are available.

- 7. We have not identified the target companies for the proposed Mergers and Acquisitions, which is one of the Objects of the Issue.**

We have earmarked Rs.450 lacs for the proposed merger and acquisition activity. We are in the process of short listing Companies for acquisition and as a beginning the Company has already executed a Joint Venture Agreement with Vision India Software Exports Private Limited which will, inter alia, entail setting up of a Joint Venture Company which will acquire the business of Vision India Software Exports Private Limited. The targets for acquisition could be companies in the field of Education Technology, Content Development or Multimedia/Graphic Design. We have planned to deploy a part of the proceeds of the issue to capitalise on any such opportunities of Inorganic growth that may arise in the future.

- 8. We do not currently own the premises at which our registered and corporate office is situated.**

The registered and corporate office of the Company, are both in the name of M/s. Nirved Traders Pvt. Ltd., our Promoter group company. A NoC has been given by M/s. Nirved Traders Pvt. Ltd. to our company for using the said premises as the registered office & corporate office.

- 9. We have applied for the registration of Trade Mark for one of our product namely “XL@School” which is pending for registration. Any delay in granting registration or in obtaining registration could result in loss of brand equity and our right to use the said brand.**

We have made an application to the Trade Mark Registry, Mumbai to register one of our brands, “XL@School” on August 25, 2009. The brand has not been registered yet and is in the process of registration with the Trade Mark Registry. In case we are unable to achieve successful registration of the above mentioned trademark, we may be subject to loss of brand equity with consequential financial loss. However, since the application for registration of the Brand Name has been accepted by the Trade Mark Registry, the possibility of rejection of the said application is very remote.

- 10. Our business model is exposed to the risk of piracy and misuse of Content developed by us.**

The product of our Company is mainly sold to institutional clients where the possibility of copyright infringement and piracy is minimal. Further we keep a close watch on our product through formal and informal means and have authorised our legal counsels to take immediate action in case any piracy is detected. We typically place our products

along with a company officer for the complete contract period, who oversees the usage of the product thus minimizing piracy risk.

We also rely on a combination of copyright laws, license agreements, confidentiality agreements with employees, non-disclosure and other contractual confidentiality requirements imposed on our customers to protect our copyrights on the content developed by us. We require our employees to enter into a non-disclosure clause as a part of the appointment letter / confidentiality agreements. This covers, inter alia, assignment of rights and arrangements to limit access to and distribution of the company's intellectual property and its proprietary / confidential information. We also protect our product by developing in house software engines, where encryption & decryption takes place in password-protected codes. The uploading and downloading of our content within a computer network is also similarly protected.

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

Computer Systems, an integral part of our business, are prone to hardware/software malfunction, virus attacks, hacking and technological obsolescence. If any such events occur, we run the risk of disruption of our operations. To diminish this risk we have our own service setup and all problems like malfunction and virus attacks are handled by our service team efficiently. Further, we have back to back warranty agreements with OEMs for any problems with computer system and other electronic equipments to mitigate the risk. Our multimedia software runs on a Windows XP operating system hence technology obsolescence is not applicable to our software. Additionally, our software contents are well protected by propriety encryption code.

12. Heavy upfront Investment in School Infrastructure exposes us to the risk of delay in access to investible funds and infrastructure.

The upfront investment in building up school projects is quite heavy since we are operating under BOOT model. This may lead to a risk of delay in access to investible funds and infrastructure. We have a contracted and tested business model that ensures an inflow of investible funds. This apart, the relationship with bankers and fund providers developed over a period of time and the clear track record of debt servicing would ensure continuous availability of funds for committed projects.

13. Our net cash flows from operating, investing and financial activities have been negative in the past. Any negative cash flow in the future may affect our liquidity and financial condition.

We had negative cash flows from operating investing and financing activities in various years, as described below:

(Amount in Rs)

Particulars	For the year ended 31 st March				
	2009	2008	2007	2006	2005
Net cash from (used in) operating activities	-	(37,713,083)	(4,570,859)	-	-
Net cash from (used in) investing activities	(6,835,593)	(5,264,141)	(59,816,841)	(6,769,243)	(6,977,907)
Net cash from (used in) financing activities	(17,628,970)	-	-	-	(1,712,615)

- 14. The company has taken unsecured loans from the promoters' amounting to Rs. 490.52 lacs as on September 30, 2009 which is repayable on demand.**

The Company has borrowed an amount of Rs. 490.52 Lacs from the promoters' of the company. The terms and conditions for the same are as follows:

Sl. No.	Terms and Conditions	Particulars
1.	Rate of Interest	Nil
2.	Security	Unsecured
3.	Tenure	Repayable on demand

- 15. There is qualification in the Audit Report of our company for an outstanding amount of Rs. 46.90 Lacs towards payment of service tax and Rs. 6.50 lacs towards VAT.**

Our company has been regular in depositing all statutory dues with the appropriate authorities except Service Tax which stands outstanding at Rs.46.90 lacs and Rs. 6.50 lacs towards VAT as on September 30, 2009. The delay in payment may attract interest & penalty on the outstanding amount, thereby resulting in a financial implication on the company.

- 16. Our Company is in the education sector and provides ICT facilities to Schools and hence bears the risk related to default in payment by Schools.**

We are exposed to the risks of payment defaults by schools who are our primary customers in the area of virtual and tech enabled learning solutions. The default in payments may adversely affect our financial position.

We protect ourselves by entering into legal contracts and also taking advance payments in the case of private schools. As a part of our contract, we have the right to take back all the equipments and content supplied, in case of a default by any of our customers.

- 17. The company provides ICT facilities in government Schools. Any delay in payments from the government may affect business cash flow and impacting our profitability.**

As per the contractual terms & conditions, the government payments become due on a quarterly basis, but due to bureaucratic procedures, generally the payments get delayed by one & a half months, thereby increasing the realization cycle from 3 months to four & a half months. Such delays cast an impact on our working capital requirements and adding an additional cost of finance and thus impacting our profits.

- 18. We are dependent on key personnel, and our inability to attract or retain such persons could adversely affect us.**

As we are in Service Industry, our growth and operations are dependent on the Management team. The Management Team consists of qualified and experienced professionals who are responsible for the day-to-day operations and drive our business growth. There is always a risk that we may lose our key management team to our competitors. If one or more members of our management team are unable or unwilling to continue with us, we may find it difficult to replace such people and our business may be adversely affected.

19. Our Promoter/Group Companies have incurred losses during the past years.

Promoter Companies

(Rs. In Lacs)

Sl.No.	Name of the company	FY 2009	FY 2008	FY 2007
1.	Birla Capital & Financial Services Ltd.	(3.44)	-	-
2.	Godavari Corporation Pvt. Ltd. (6 months ended March 08)	(36.67)	(251.69)	-
3.	Asian Distributors Pvt. Ltd.	(3.61)	-	(64.32)
4.	Nirved Traders Pvt. Ltd.	(130.03)	-	-

Listed Group Companies:

(Rs. In Lacs)

Sl.No.	Name of the company	FY 2009	FY 2008	FY 2007
1.	Birla Transasia Carpets Ltd.	(175.53)	(79.78)	(360.56)
2.	Dagger Forst Tools Ltd.	(525.42)	-	-
3.	Melstar Information Technologies Ltd.	(113.14)	(134.79)	-

Unlisted Group Companies:

(Rs. In Lacs)

Sl.No	Name of the company	FY 2009	FY 2008	FY 2007
1.	Birla International Pvt. Ltd.	-	-	(112.71)
2.	Birla Lifestyles Pvt. Ltd.	(46.50)	(5.64)	-
3.	Birla Infrastructure Ltd.	(14.71)	-	-
4.	Birla Electricals Ltd.	(2.12)	(0.92)	-
5.	Birla Concepts (India) Pvt. Ltd.	(19.53)	(31.66)	(42.99)
6.	Birla Accucast Ltd. (Formerly known as Birla Perucchini Ltd)	(369.30)	(94.26)	(88.47)
7.	Birla Bombay Pvt. Ltd.	-	-	(71.28)
8.	Birla Global Corporate Pvt. Ltd.	-	(7.00)	(5.64)

Our Company has no common pursuits with these companies and hence the above will not affect our performance.

20. Two of our group companies have been referred to BIFR.

The following two companies of the group are under BIFR:

1) Birla Transasia Carpets Ltd.

The Company has been declared a Sick Industrial Company within the meaning of clause (O) of the sub section (10) of the section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 by the Board for Industrial & Financial Reconstruction (BIFR) in its meeting held on 28.06.99 and registered as case no. 43/99 with the Board. The Company has been directed by the BIFR for submission of Draft Rehabilitation Scheme (DRS) for its consideration and approval in its meeting held on 26.09.05. The Company has submitted DRS scheme to operating agency Punjab National Bank (PNB) and PNB has submitted DRS to BIFR and awaiting final order of Hon'ble BIFR. The BIFR meeting held on 14/06/2007 directed to the Operating Agency (PNB) to re-submit the DRS for final

decision. The revised DRS was discussed in a joint meeting held on 17/01/2008 at PNB, Head office, New Delhi. The same DRS after duly incorporating views/ consents of all involved agencies was circulated to the members on 12/05/2008.

2) Birla Accucast Ltd. (Formerly known as Birla Perucchini Ltd.)

The Company is a Sick Company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985. The company has filed reference under provisions of SICA (Special Provisions), 1985 on 1st April 2002 and subsequently the case got registered as case no. 702/2002 with BIFR, New Delhi. On the hearing held on 13/07/2005, BIFR has declared that the company is a sick company u/s 15 of SICA. Based on the directions given by BIFR in the hearing held on 13/07/2005 the Operating Agency (OA), IDBI Bank had submitted a draft Rehabilitation Scheme (DRS) on 13/05/2009. The same was circulated to the members on 12/11/2009 for objects/suggestions/ consents, if any. The next date of hearing by the Board is fixed for 02/02/2010.

Our Company does not have common pursuit with the above companies and hence, the same shall not have any adverse impact on its performance.

21. We have entered into certain related party transactions and may continue to do so in the future.

We believe that all such transactions have been conducted on the arms length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to section titled “Related Party Transactions” at page no.178 of this RHP.

22. Our growth requires additional capital, which may not be available on terms acceptable to us.

Our company requires significant funds for continuous upgradation and development of new contents for the software. We anticipate that we will need to obtain additional financing as we expand our operations. We may not be successful in obtaining additional funds in a timely manner, on favourable terms or at all.

23. We do not have any tie ups in the form of distributorship, dealership, franchisee partnership or contracts with the suppliers for the products which are supplied by us to our customers but not manufactured by us, this may result in volatility in prices for these products.

The periodical fluctuation in price is considered while quoting to the customer which is a contract for a period of 60 months. Thus, the impact of the volatility in price is mitigated to a great extent and does not materially affect our profitability.

24. There was delay in schedule of implementation and proposed utilization of funds in case of previous issues of our group companies, resulted into non meeting of financial plans as envisaged. The investors may incur opportunity cost for their funds because of this delay.

The delay in the projects in our group companies has been on account of not so favourable market conditions in which the group companies operate, however, in view of the improvement in the domestic economic scenario, the implementation of projects in the respective group companies will be completed very soon. Pending full utilization, the balance amount is held in current accounts for timely availability of resources when required.

(For more details please refer to Promise V/s Performance on beginning on Page No. 280 of this RHP)

25. Part of the funds raised through Public Issues at various points in time by our group companies, Zenith Birla (India) Limited, Dagger Forst Tools Ltd. and Birls Cotysn (India) Limited are yet to be utilised.

(For further details please refer to Group Companies beginning on page no 107 & Promise V/s Performance beginning on page no.280)

EXTERNAL RISK FACTORS

26. The changes that maybe brought out in the Education Curriculum in future by the Government or such other Educational Agencies may adversely affect our business.

Our products are closely linked to the prevailing education curriculum and systems. The performance of our company depends, to a large extent, upon the Government policies on education. Any change in government policies or reallocation of the government budget away from education services could impact our business prospects. If there is a change in the education system, our products may need substantial change or may be rendered obsolete.

27. Unforeseen acts of God or social turbulence could adversely affect the financial markets, result in a loss of business confidence and adversely affect our business, results of operations and financial condition.

There are risks to our development centre from fire, riots, vandalism, terrorism and other law and order problems.

28. Any change or increase in taxes, levies etc. may lead to higher input cost and therefore may have an impact on the profitability of our company.

Any changes in the tax laws in India, particularly income tax, might lead to increased tax liability of the Company thereby putting pressures on profitability. There is also a risk of increased hardware costs due to any increase in taxes, duties, levies etc on computer hardware by the Government.

29. The price of our Equity Shares may be highly volatile, or an active trading market for its equity shares may not develop.

After this issue, the price of the Equity Shares may be highly volatile or there may be no active market for the Equity Shares which may be due to following reasons:

- a) Volatility in the Indian and global securities market;
- b) Results of operations and performance of the Company;
- c) Performance of the Indian economy and significant changes in India's fiscal laws
- d) Adverse media reports about the Company or the industry

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

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

31. No assurance can be given regarding active trade of the equity shares of the company upon listing.

There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the prices at which the Equity Shares are sold through this issue will correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue."

32. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to resell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares will be determined by the Book Building Process. This price will be based on numerous factors (discussed in the section 'Basis for Issue Price' on page 41) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant

fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- a) Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- b) Changes in revenue or earnings estimates or publication of research reports by analysts;
- c) Speculation in the press or investment community;
- d) General market conditions; and
- e) Domestic and international economic, legal and regulatory factors unrelated to our performance.

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

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.

34. In case of any cross-border tension with any neighbouring countries will affect the Indian Capital Market which in turn will affect the share price of our Company.

South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighbouring countries, such as between India and Pakistan. Military activity or terrorist attacks in the future could influence the Indian economy. This could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

35. Political, economic, social developments in India could adversely affect our business.

All our facilities and other assets are located in India and all of our officers and directors are resident in India. Our operations and financial results and the market price and liquidity of our Equity Shares may be affected by changes in the Indian Government policy or taxation or social, ethnic, political, economic or other developments in or affecting India. India has also witnessed civil disturbances in recent years. While these civil disturbances did not directly affect our operations, it is possible that future civil unrest as well as other adverse social, economic and political events in India could have an adverse impact on us.

36. Risk arising from changes in the interest rates and banking policy.

Our Company is subject to risk arising from changes in interest rates and banking policy. We are dependent on various banks and financial institutions for arranging our working capital requirements, term loans, etc. Accordingly, any change in the extant banking policy or increase in interest rates may have an adverse impact on our Company's profitability.

PROMINENT NOTES:

1. Issue Of [●]Equity Shares Of Rs. 10/-each for cash at a price of Rs. [●] per Equity Share aggregating to Rs. 3477.50 Lacs (hereinafter referred to as The “Issue”). The Issue comprises Promoter’s Contribution of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share aggregating to Rs. 500.00 Lacs (Hereinafter Referred to as Promoter’s Contribution) and Net Issue to the Public (Hereinafter referred to as "The Net Issue" or " Net Issue To The Public”) of [●] Equity Shares aggregating to Rs. 2977.50 Lacs. The Net Issue would constitute [●]% of the fully diluted Post Issue Paid-Up capital of our Company.
2. The pre-issue net worth of our Company was Rs 1281.72 lacs as per our restated audited financial statements as on September 30, 2009.
3. The average cost of acquisition of Equity Shares by our Promoters/ Promoter Group, is as under:

Name of the Promoter	Average Cost (Rs.)
Mr. Yashovardhan Birla	8.93
Birla Capital and Financial Services Ltd.	35.94
Nirved Traders Pvt. Ltd. (Formerly in the name of Birla International Pvt. Ltd)	10.85
Shearson Investment & Trading Co. Pvt. Ltd	7.65
Godavari Corporation Pvt. Ltd	4.55
Asian Distributors Pvt. Ltd.	1.50

4. Book value per Equity Shares (of face value Rs.10/-) of our Company, as per our restated audited financial statements as on September 30, 2009 is Rs. 21.37.
5. Trading in equity shares of our Company for all the investors shall be in dematerialised form only.
6. Other than what is stated under the head “Capital Structure” beginning on Page 19 of this RHP, our company has not issued any shares for consideration other than cash.
7. Related Party Transactions – The amount of related party transactions executed in the last five years are as follows:

Sl.No.	Financial Year	Amount (Rs.in lacs)
1.	2004-05	24.85
2.	2005-06	20.03
3.	2006-07	301.48
4.	2007-08	704.25
5.	2008-09	706.39
6.	30 th September, 2009	491.25

For complete details on Related Party Transactions please refer to the chapter titled “Related Party Transactions” on page 178 of this RHP.

8. Investors are free to contact the BRLM or the Compliance Officer for any complaints/ information/ clarification pertaining to this Issue. For contact details of the BRLM, please refer to the cover page of this RHP.
9. All information shall be made available by the BRLM and our Company to the public and investors at large and no selective or additional information would be available only to a section of the investors in any manner whatsoever.
10. Investors are advised to refer to the paragraph on “Basis for Issue Price” on page no 41 of this RHP before making an investment in this Issue.

11. This Issue is being made through 100% Book Building Process wherein upto 50% of the Net Issue to the Public will be available for allocation to Qualified Institutional Buyers ("QIB") on a proportionate basis, subject to valid bids being received at or above the Issue Price. Out of the portion available for allocation to the QIBs, 5% will be available for allocation to Mutual Funds only. Mutual Funds Bidders shall also be eligible for proportionate allocation under the balance available for the QIBs. Further, at least 15% of the Net issue to the Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Net issue to the Public shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price.
12. 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 demographic details of the Bidders such as address, bank account details for printing on refund orders and occupation. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form and also update their demographic details with their respective depository participant.
13. Investors are advised to go through the paragraph on "Basis of Allotment" beginning on 314 of this RHP.
14. Investors are advised to refer to the paragraph 'Basis for issue price' on page no. 41 before making an investment in this issue.
15. In the event of the Issue being oversubscribed, the allocation shall be on a proportionate basis to QIBs, Retail Individual Bidders and Non-Institutional Bidders. For details, refer to the chapter titled "Issue Procedure" on page no. 296 of this RHP.
16. Our Company was incorporated on May 25, 1992 under the name of Rathii Mercantile & Management Services Private Ltd. Subsequently the Company was converted into a Public Limited Company on March 16, 1994 and the name was changed to Rathii Mercantile & Management Services Ltd. The name of the company was then changed to Rathii Merchantile Industries Ltd. on May 23, 1994. On February 12, 2002, the name of the company was changed to Shloka Infotech Limited. Further the name of the company was changed to Birla Shloka Edutech Limited on December 26, 2008.
17. Our Company and the BRLM will update the Offer Document in accordance with the Companies Act and the SEBI Regulations and our Company and the BRLM will keep the public informed of any material changes relating to our Company till the listing of our shares on the stock exchanges.
18. We have not issued any shares during the last six months prior to the date of this RHP.
19. The details regarding transactions in our Equity Shares during the past six months undertaken/ financed directly or indirectly by our promoter, his relatives and associates and our directors are mentioned under Notes to the capital structure beginning on page no. 20 of this RHP.
20. No part of the Issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associate or Group Company.

SECTION IV – INTRODUCTION

This is only a summary and does not contain all information that you should consider before investing in our Equity Shares. You should read the entire RHP, including the information on “Risk Factors” and our “Financial Statements” and related notes beginning on page no. xii and 161 respectively of this RHP, before deciding to invest in our Equity Shares.

SUMMARY OF INDUSTRY

Education encompasses teaching and learning specific skills, and also something less tangible but more profound: the imparting of knowledge, positive judgment and well-developed wisdom.

Since independence, education has been visualized in government policies as a precursor to national development as well as to better quality of life. Growth in public expenditure on education has not been impressive in terms of real prices and on per student basis. In the Education Policy of 1968 it was envisaged that public expenditure on education as a proportion of GDP will increase to 6% over time. While GDP since increased 61 fold by 2002, public expenditure on education increased from 1.68% to only 4.02% by 2002. During 1990s, after the economic reform policies were introduced, public expenditure on education declined from above 4% in 1990-91 to about 3.95% in 1998-99. Thus, raising public expenditure on education to a level of 6% of GDP has remained a national commitment for nearly forty years now. The National Common Minimum Programme (NCMP) has also reiterated this commitment. To fulfill this commitment, in addition to augmenting budgetary support the Government imposed an education cess on direct and indirect taxes in the Finance Act 2004-05 (No.2). The resource generating capacity of the Government has got a boost after high growth rates in the X FYP and the resulting exuberance should offer the right opportunity to meet this long pending commitment of expenditure on education which would also help in converting the opportunity offered by demographic transition to a scenario of growth with social justice and its future sustainability.

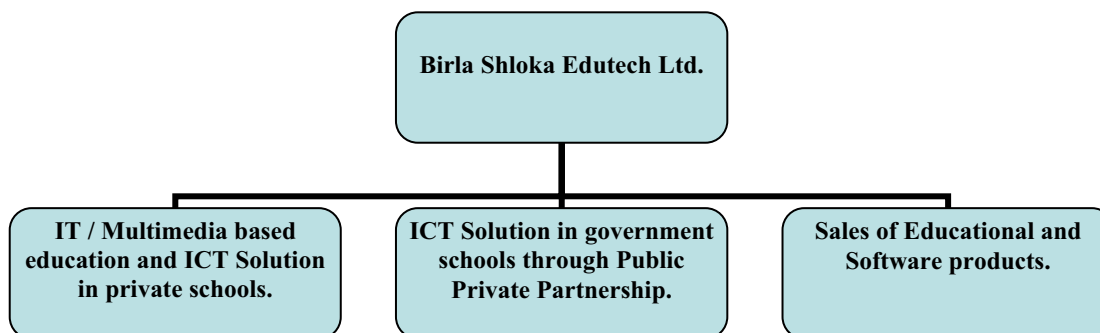
With the liberalization and globalization of the Indian economy, the rapid changes witnessed in scientific and technological world and the general need to improve the quality of life and to reduce poverty, it is essential that school leavers acquire a higher level of knowledge and skills than what they are provided in the 8 years of elementary education, particularly when the average earning of a secondary school certificate holder is significantly less than that of a person who has studied only up to class VIII. It is also necessary that besides general education up to secondary level, opportunities for improvement of vocational knowledge and skill should be provided at the higher secondary level to enable some students to be employable.

(Source: www.planningcommission.nic.in, report of Working Group on Elementary Education and Literacy and secondary education for the 11th Five Year plan)

SUMMARY OF OUR BUSINESS

Our mission, at BIRLA SHLOKA EDUTECH LTD. is to help educate, entertain and groom today's children for tomorrow's world by providing products that meet the highest quality standards in content, appearance, and durability at most affordable prices. This is achieved through a well derived, designed and researched suite of Edutainment (Education + Entertainment) products, viz., VCDs, CD-ROMs, etc. & Curriculum-based Multi-media E-learning Software delivered through the Digital class room concept. We setup computer labs, Digital classroom solutions and Audio Visual solutions in schools along with our software product “XL@School” which is a curriculum based interactive multimedia software for mathematics and science subjects.

We have following Strategic Business Units:



JOINT VENTURE

Our Company has entered into a joint venture agreement with Vision India Software Exports Pvt Ltd., a company incorporated under the Companies Act, 1956 having its registered office at, A-1/10 Swaroop Hsg. Society, Erandawane, Pune and its promoters Mr. Sunil Umrani and Mr. Jatin Kulkarni on 30th April 2009, to bid and execute various tender projects (“the Projects”) of Central Government of India and various State Governments in the field of Computer Education, Education through computers, and facilitate the supply of various hardware and equipments and provide hardware solutions, teacher training and various allied services of similar nature on BOO/BOOT basis or otherwise for the said projects, on terms and conditions as stated in the JV agreement. For further details of the Joint Venture please refer to page no. 62.

COMPETITIVE STRENGTH

1. In-house expertise in educational content & software development.
2. Strong capability to implement Information and Communication technology projects.
3. Advantage of low price model as compared to competitors in the market.

THE ISSUE

Equity Shares Offered: Public Issue of Equity Shares by our Company	[•] Equity Shares of Rs.10 each for cash at a price of Rs [•] aggregating Rs. 3477.50 lacs.
Of which: Promoters' contribution in the issue	[•] Equity Shares of Rs.10 each for cash at a price of Rs [•] aggregating Rs. 500.00* lacs.
Net Issue to the Public	[•]Equity Shares of Rs.10 each for cash at a price of Rs [•]aggregating to Rs. 2977.50 Lacs
Of which A) Qualified Institutional Buyers Portion	Upto [•] Equity Shares of Rs.10 each for cash at a price of Rs [•]aggregating upto Rs. 1488.75 lacs. Constituting upto 50% of the net issue to the Public (allocation on proportionate basis) out of which 5% i.e. [•]Equity Shares of Rs.10 each for cash at a price of Rs [•]aggregating Rs. 74.45 lacs will be available for allocation to Mutual Funds only and the remaining QIB portion will be available for allocation to QIBs, including Mutual Funds.
B) Non-Institutional Portion	At least [•] Equity Shares of Rs.10 each for cash at a price of Rs [•] aggregating Rs. 446.625 .Lacs constituting minimum of 15% of the net issue to the Public.(allocation on proportionate basis)
C) Retail Portion	At least [•]Equity Shares of Rs.10 each for cash at a price of Rs [•]aggregating Rs1042.125 Lacs constituting atleast 35% of the net issue to the Public (allocation on proportionate basis)
Equity Shares outstanding prior to the Issue	59,98,600 Equity Shares of Rs.10 each
Equity Shares outstanding after the Issue	[•]Equity Shares of Rs.10 each
Objects of the Issue	Please refer to chapter titled "Objects of the Issue" on page no. 32 of this RHP

* The promoters have brought in entire Rs. 500 lacs as share application money and this fund has already been deployed. Under subscription, if any, in any of the categories, would be allowed to be met with spill over from any of the other categories at the sole discretion of our Company, in consultation with the BRLM and the designated Stock Exchange.

SUMMARY OF FINANCIAL INFORMATION

The following summary financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report of our statutory auditor's M/s LKM & Co., Chartered Accountants dated 11th December, 2009 in the section titled "Financial Information" of this RHP. You should read this financial data in conjunction with our financial statements for each of 31st March 2005, 2006, 2007, 2008, 2009 and six months ended 30th September, 2009 including the Notes thereto and the Reports thereon, which appears under the paragraph on "Financial Information" in this RHP, and "Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the Financial Statements" on page no.161 and 184 respectively.

Summary Statement of Profit And Loss Account, As Restated

(Amount in Rupees)

Particulars	For six months ended 30 th September, 2009	For the year ended 31 st March						
		2009*	2008*	2008 (standalone) as a % of amalgamated entity	2007*	2007 (standalone) as a % of amalgamated entity	2006	2005
INCOME								
Sales	646,419,451	1,040,094,721	391,706,247	98.03	26,087,300	21.76	10,667,647	10,514,992
Other Income	69,160	69,381	109,671	3669.33	4,457,095	106.68	22,265	1,510,118
Increase/(Decrease) in Stock	(6,043)	101,400	624,714	4.02	(1,330,856)	7.70	(2,976)	34,648
Total Income	646,482,568	1,040,265,502	392,440,632	98.88	29,213,539	35.36	10,686,936	12,059,758
EXPENDITURE								
Purchases & Direct expenses	615,917,680	1,014,475,578	366,598,187	98.81	8,259,411	6.93	3,321,965	3,893,962
Staff Cost	4,549,869	8,375,809	9,694,285	68.10	6,693,330	45.35	2,112,468	2,382,576
Administrative & Other Expenses	4,212,227	4,637,818	5,267,654	82.26	6,278,064	46.93	1,337,913	2,351,050
Selling & Marketing Expenses	621,590	2,860,060	1,772,082	72.10	2,566,275	28.34	967,772	67,517
Finance Expenses	1,469,453	466,277	1,531,947	13.62	601,585	2.71	10,850	10,861
Depreciation	5,033,602	4,790,591	3,415,087	68.36	3,796,013	65.96	2,395,833	2,160,615
Preliminary expenses written off	129,460	258,921	131,177	0.00	-	-	-	-
Balances Written off	146,010	442,217	222,107	0.00	153,348	0.00	13,253	103,245
Total Expenditure	632,079,891	1,036,307,271	388,632,526	97.01	28,348,026	34.58	10,160,054	10,969,826
Profit before Taxation	14,402,677	3,958,231	3,808,106	289.70	865,513	60.97	526,882	1,089,932
Less: Provision for Taxation:								
Current	2,500,000	314,360	772,533	45.31	6,338	0.00	-	-
Deferred	4,338,747	498,397	(775,763)	100.00	(71,254)	100.00	51,981	535,770
Profit after Taxation	7,563,930	3,145,474	3,811,336	300.62	930,429	64.38	474,901	554,162

Note 1: * For the Amalgamated entity as a whole



THE YASH BIRLA GROUP



BIRLA SHLOKA EDUTECH LTD

Note 2 : The figures for the financial years ended as on 31st March 2005 and 2006 are given on stand alone basis and for the financial years ended as on 31st March, 2007, 2008 and 2009 and for the six months ended 30th September, 2009 are presented on consolidated basis, revised after consolidating the financials of Shloka Academy Pvt. Ltd, Shloka Finance consultancy Pvt. Ltd, Shloka Graphics Pvt. Ltd, Shloka Peripheral Pvt. Ltd, Shloka Publications Pvt. Ltd and Shloka Software Pvt. Ltd with Shloka Infotech Limited.- in accordance with the scheme of amalgamation sanctioned by the Honourable High Court of Mumbai on 27th June 2008 with effect from 1st April, 2006.

Summary Statement of Assets & Liabilities as restated

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March						
		2009*	2008*	2008 (standalone) as a % of amalgamated entity	2007*	2007 (standalone) as a % of amalgamated entity	2006	2005
Fixed Assets :								
Gross Block	155,606,357	99,430,913	92,090,075	31.88	88,768,044	29.25	22,114,971	15,345,728
Less: Accumulated Depreciation	30,777,435	25,743,833	22,089,282	58.61	16,797,348	63.34	8,311,016	5,157,440
Net Block (A)	124,828,922	73,687,080	70,000,793	23.45	71,970,696	21.30	13,803,955	10,188,288
Investments (B)	-	-	-	-	-		914,140	1,714,140
Current Assets , Loans & Advances:								
Inventories	2,789,614	2,795,657	2,694,257	1.19	2,069,777	0.35	109,672	112,649
Sundry Debtors	656,872,426	204,839,437	80,899,596	90.54	14,568,377	14.63	4,195,169	3,326,793
Cash & Bank Balances	276,746	8,099,866	1,382,338	77.77	690,747	94.69	1,659,746	29,852
Other current assets	7,987,690	8,235,216	37,151,929	99.57	4,442,834	97.15	4,344,937	11,637,851
Loans & Advances	44,360,102	28,132,481	9,801,700	26.82	17,897,390	43.80	3,780,502	2,013,670
TOTAL (C)	712,286,578	252,102,657	131,929,820	86.39	39,669,125	37.68	14,090,026	17,120,815
Total (A+B+C)	837,115,500	325,789,737	201,930,613	64.57	111,639,821	27.12	28,808,121	29,023,243
Less: Liabilities & Provisions:								
Secured Loans	33,865,420	7,869,505	7,510,983	0.00	7,184,023	0.00	-	-
Unsecured loans	51,552,629	65,020,733	64,677,442	54.59	29,431,280	3.05	909,000	899,000
Deferred Tax Liabilities	4,980,965	642,218	143,821	77.41	919,584	96.47	958,347	906,366
Current Liabilities	614,071,565	180,295,047	62,713,425	89.67	7,782,518	15.86	282,899	1,034,903
Provisions	4,473,033	1,483,735	1,443,968	100.00	1,005,000	100.00	1,005,000	1,005,000
TOTAL (D)	708,943,612	255,311,238	136,489,639	68.21	46,322,405	8.69	3,155,246	3,845,269
NET WORTH (A+B+C-D)	128,171,888	70,478,499	65,440,973	56.99	65,317,416	40.19	25,652,875	25,177,974
Represented By:								
Share Capital	59,986,000	59,986,000	59,986,000	63.32	59,986,000	63.32	37,986,000	37,986,000
Share Application Money	50,000,000	-	-	-	-	-	-	-
Reserves & Surplus	20,386,702	12,822,773	6,400,000	0.11	6,400,000	0.11	7,000	7,000
Less: Misc. Expenses not written off	2,200,814	2,330,274	945,027	0.00	1,068,584	0.00	-	-

Less: Profit & Loss A/c	-	-	-	-	-	-	12,340,125	12,815,026
NET WORTH	128,171,888	70,478,499	65,440,973	56.99	65,317,416	40.19	25,652,875	25,177,974

* For the Amalgamated entity as a whole

Statement of Cash Flow as restated:

(Amount in Rupees)

Particulars	For the six months ended 30 th September, 2009	For the year ended 31 st March				
		2009	2008	2007	2006	2005
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit/(Loss) before Taxation & extraordinary items	14,402,677	3,958,231	3,808,106	865,513	526,882	1,089,932
Adjustments for :						
Depreciation	5,033,602	4,790,591	3,415,087	3,796,013	3,153,576	2,160,615
Profit on sale of investment	-	-	-	(4,365,019)	-	-
Net Loss/Profit on sale of asset	-	(8,152)	-	38,071	-	(877,754)
Preliminary expenses written off	129,460	258,921	131,177	-	-	-
Operating Profit before Working Capital Changes Adjustment for:	19,565,739	8,999,591	7,354,370	334,578	3,680,458	2,372,793
Trade & other receivable	(451,785,463)	(95,023,129)	(99,040,313)	(10,471,105)	4,657,706	6,103,615
Inventories	6,044	(101,400)	(624,481)	(1,960,105)	2,977	(34,648)
Trade payables	434,265,816	117,307,030	54,597,342	7,525,773	(752,004)	(49,404)
Other current liabilities	-	-	-	-	-	31,382
Net Cash from Operating Activities (A)	2,052,136	31,182,091	(37,713,083)	(4,570,859)	7,589,137	8,423,738
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase/Sale of fixed assets (Net)	(56,175,444)	(5,191,427)	(5,256,521)	(64,027,416)	(6,769,243)	(6,977,907)
Preliminary/ Misc. Expenses Capitalized	-	(1,644,166)	(7,620)	(1,068,584)	-	-
Investment	-	-	-	5,279,159	-	-
Net Cash used in Investing Activities (B)	(56,175,444)	(6,835,593)	(5,264,141)	(59,816,841)	(6,769,243)	(6,977,907)
CASH FLOW FROM FINANCING ACTIVITIES.						
Proceeds from Unsecured Loans (Net)	(13,468,102)	343,291	35,573,124	28,522,280	810,000	(1,712,615)
Proceeds from Bank borrowings (Net)	25,995,915	358,521	-	7,184,023	-	-
*Issue of Equity Shares	-	-	-	22,000,000	-	-
Share Application money	50,000,000	-	-	-	-	-
Movement in Loans and Advances	(16,227,621)	(18,330,781)	8,095,690	(14,116,889)	-	-
*Addition to Reserve from transferor companies	-	-	-	19,829,287	-	-
Net Cash Receipt/ Used in Financing Activities (C)	46,300,192	(17,628,970)	43,668,815	63,418,701	810,000	(1,712,615)
Net Increase/ Decrease in Cash & Cash Equivalents (A + B + C)	(78,23,120)	6,717,528	691,591	(968,999)	1,629,894	(266,784)

Cash & Cash Equivalents As on beginning of year	8,099,866	1,382,338	690,747	1,659,746	29,852	296,636
Cash & Cash Equivalents As on end of year	2,76,746	8,099,866	1,382,338	690,747	1,659,746	29,852

***Note: Pursuant to the scheme of Amalgamation sanctioned by the Hon'able High Court of Bomabay, the assets and liabilities taken over from the transferor companies are shown as addition in the respective heads of accounts and the shares issued and Reserves are shown separately.**

GENERAL INFORMATION

Our Company was incorporated on May 25, 1992 under the name of Rathi Mercantile & Management Services Private Ltd. Subsequently the Company was converted into a Public Limited Company on March 16, 1994 and the name was changed to Rathi Mercantile & Management Services Ltd. The name of the company was then changed to Rathi Mercantile Industries Ltd. on May 23, 1994. On February 12, 2002, the name of the company was changed to Shloka Infotech Limited. Further the name of the company was changed to Birla Shloka Edutech Limited on December 26, 2008

Registered Office	Industry House, 5 th Floor, 159, Churchgate Reclamation, Mumbai – 400 020. Tel: +91-22-2202 6340 Fax: +91-22-2204 5166
Corporate Office	Dalamal House, 1 st Floor, J.B. Marg, Nariman Point, Mumbai – 400 021 Tel: +91-22-6616 8400 Fax: + 91-22-2204 7835
Development Centre	Vedant Commercial Complex, S-3, 2 nd Floor, Vartak Nagar, Thane (West) – 400 606. Tel:+91-22-4161 06412 Fax: +91-22-2588 05493
Registered With	Registrar of Companies, Mumbai, Maharashtra 100 Everest Building, Marine Lines, Mumbai – 400002
CIN No	L74999MH1992PLC066910
Website	www.birlashloka.com
Email	fpo@birlashloka.com

BOARD OF DIRECTORS:

Our Company is currently managed by Board of Directors comprising of 6 directors. The Board of Directors consists of the following persons:

NAME, ADDRESS AND DIN OF THE DIRECTOR	DESIGNATION	STATUS
Mr. Yashovardhan Birla Birla House, 21, Pleasant Road, Nepeansea Road, Mumbai – 400 006 DIN: 00005804	Chairman	Non- Independent and Non-Executive
Mr. Nidigallu Srikrishna 701, Royal Empire, Shastri Nagar, Lokhandwala, Andheri (W), Mumbai – 400 063 DIN: 01231683	Managing Director	Non- Independent and Executive Director
Mr. Tushar Dey 302, EMP 34, Evershine Millennium Paradise, Thakur Village, Kandivali (East), Mumbai – 400 101 DIN: 00857241	Director	Non- Independent and Non-Executive
Mr. Mohandas Shenoy Adige Flat No.2, Pearl Condominium, Plot-163, Sector-28, Vashi,	Director	Independent and Non-Executive Director

Navi Mumbai – 400 703 DIN: 00280925		
Mr. Vijay Agarwal 503, Jolly Bhavan No.1, New Marine Lines, Mumbai – 400 020 DIN: 00280925	Director	Independent and Non-Executive Director
Mr. Anoj Menon Desai & Diwanji, Lentin Chambers, Dalal Street, Fort, Mumbai – 400 001 DIN:01332699	Director	Independent and Non-Executive Director

For detailed profile of Our Directors please refer to section titled “Our Management” on page no. 74 of this RHP.

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Jigna Parikh

Company Secretary & Compliance Officer
Birla Shloka Edutech Limited,
1st Floor, Dalamal House,
Nariman Point,
Mumbai – 400 021.
Tel: +91-22-6616 8400
Fax: +91-22-2204 7835
Email: complianceofficer@birlashloka.com

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

BOOK RUNNING LEAD MANAGER

Ashika Capital Limited

1008, Raheja Centre, 10th Floor,
214, Nariman Point,
Mumbai - 400 021.
Tel: + 91 – 22 – 6611 1700
Fax: + 91 – 22 – 6611 1710
Email: mbd@ashikagroup.com
Website: www.ashikadirect.com
SEBI Regn. No: INM 000010536
Contact Person: Ms. Anshika Haldia/ Ms. Nimisha Joshi

LEGAL ADVISORS TO THE ISSUE

Hemant Sethi & Co.

Advocates
302 Satnam Building,
3A Sion West,
Mumbai – 400 022
Tel: +91-22-3295 6888
Fax: +91-22-2407 9230
Email: hemant@hemantsethi.com
Contact Person: Mr. Hemant Sethi

AUDITORS

M/s L.K.M & Co

Chartered Accountants,
H-403, Ritu Paradise,
Haria's Dreampark,
Mira Bhayander Road,
Mira Road (East)
Thane - 401 107.
Tel.No: +91-22 - 6450 9434
Email: lkmalpani@gmail.com
Contact Person: Mr. L.K.Malpani

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East),
Mumbai - 400 072.
Tel: +91 - 22 - 2847 3747/3474
Fax: +91 - 22 - 2847 5207
Email: bigshare@bom7.vsnl.net.in
Website: www.bigshareonline.com
SEBI Regn No - INR000001385
Contact Person: Mr. Ashok Shetty

BANKERS TO OUR COMPANY

BANK OF INDIA

Altamount Road Branch,
2/669, Eastman House,
S.K. Barodawala Marg,
Mumbai – 400 026
Tel : +91-22 2352 5466 /2351 3209
Fax : +91-22 2351 9213
Email: boialtamobr@mtnl.net.in
Contact Person: Capt. K. P. Singh

BANKERS TO THE ISSUE AND ESCROW COLLECTION BANKS

STANDARD CHARTERED BANK

SEBI Regn No. INBI00000885
Client Relationships
270, D.N. Road, Fort
Mumbai – 400 001
Tel: 91-22-2219 8609
Fax: 91-22 -2201 9208
Website: www.standardchartered.co.in
Email: rajesh.malwade@in.standardchartered
Contact Person: Mr. Rajesh Malwade

HDFC BANK LTD

SEBI Regn No. INB100000063
Manakji Wadia Building,
Nanik Motwani Marg,
Fort, Mumbai – 400 001.
Tel : 91-22-6657 3535
Fax: 91-22-2270 0024
Website: www.hdfcbank.com
Email : deepak.rane@hdfcbank.com
Contact Person : Mr. Deepak Rane

ICICI BANK LIMITED

SEBI Regn No. INBI00000004
Capital Markets Division
30, Mumbai Samachar Marg
Mumbai - 400 001
Tel: 91 - 22 - 2262 7600
Fax: 91- 22 - 2261 1138
Website: www.icicibank.com
Email: venkataraghavan.t@icicibank.com
Contact Person: Mr. Venkataraghavan

AXIS BANK LIMITED

SEBI Regn. No. INBI00000017
Laxmi The Mall,
Building No. 5,
Laxmi Industrial Estate,
New Link Road,
Andheri (West) Mumbai – 400 053.
Tel.: +91- 22- 66044747
Fax : +91-22-66044799
Website: axisbank.com
Email: Shrikant.pathak@axisbank.com
Contact Person: Mr. Shrikant Pathak

The Hongkong and Shanghai Banking Corporation Limited

SEBI Regn No. INBI00000027
HSBC, 52/60, M.G. Road, Fort,
Mumbai – 400 001
Tel: 91 - 22 – 4035 7458
Fax: 91- 22 – 4035 7657
Website: www.hsbc.co.in
Email: swapnilpavale@hsbc.co.in
Contact Person: Mr. Swapnil Pavale

SYNDICATE MEMBERS:

Ashika Stock Broking Limited

1008, Raheja Centre,
214, Nariman Point,
Mumbai – 400 021
Tel: +91 22 6611 1706
Fax: +91 22 6611 1710
Email: ipo@ashikagroup.com
Website: www.ashikagroup.com
Contact Person: Mr. Dilip Minni

Mangal Keshav Securities Limited

501, Heritage Plaza,
Opp. Indian Oil Nagar, Andheri (W),
Mumbai – 400 053
Tel: +91- 22 30687999
Fax: +91- 22 66790535
Email: ipo@mangalkeshav.com
Website: www.mangalkeshav.com
Contact Person: Ajay Shah

Guiness Securities Limited

Shop no.5, Rizvi Nagar, S.V. Road,
Milan Subway, Santacruz (W)
Mumbai - 400 054
Tel: +91- 22 32096452
Fax: +91- 22 26120035
Email: info@guinessonline.net
Website: www.16anna.com
Contact Person: Mr. Soumitro Chakraborty

SELF CERTIFIED SYNDICATE BANKS

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

REFUND BANKER

HDFC BANK LTD

SEBI Regn No.INB100000063

Manakji Wadia Building,

Nanik Motwani Marg,

Fort, Mumbai – 400 001.

Tel : 91-22-6657 3535

Fax: 91-22-2270 0024

Website: www.hdfcbank.com

Email : deepak.rane@hdfcbank.com

Contact Person : Mr. Deepak Rane

BROKERS TO THE ISSUE

All members of the recognized Stock Exchanges would be eligible to act as Brokers to the Issue.

CREDIT RATING

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

IPO GRADING

The equity shares of our company are listed on BSE, CSE and ASE. Therefore, this being a Follow on Public Issue of Equity Shares, grading is not required.

MONITORING AGENCY

As per regulation 16 of the SEBI (ICDR) Regulations, monitoring agency is required to be appointed in case the issue size exceeds Rs.500 crores. Since our proposed issue size will not exceed Rs.500 crore, we do not propose to appoint a Monitoring Agency. However, a Committee of Directors, viz, Project Monitoring Committee has been formed to monitor the implementation of the project as well as utilization of the issue proceeds. Further, as per the Clause 49 of the Listing Agreement to be entered into with the stock exchanges upon listing of the equity shares and the Corporate Governance requirements, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

APPRAISING ENTITY

Our Project has not been appraised by any entity or agency.

TRUSTEES

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

INTER-SE ALLOCATION OF RESPONSIBILITIES

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

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

BOOK BUILDING PROCESS

Book Building refers to the process of collection of bids from investors on the basis of this RHP. 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 Ashika Capital Limited
- (3) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/ NSE and eligible to act as underwriters, in this case being Ashika Stock Broking Limited, Mangal Keshav Securities Limited and Guinness Securities Limited.
- (4) Registrar to the Issue, in this case being Bigshare Services Pvt. Ltd.

The securities are being offered to the public through the 100% Book Building Process in accordance with the SEBI Guidelines wherein: (i) upto 50% of the Net Issue to the public shall be available for allocation on a proportionate basis to QIBs, of which 5% shall be available for allocation to mutual funds on proportionate basis and the remaining QIB portion shall be available for allocation to the QIB bidders including mutual funds (ii) not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, and (iii) not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to the Non-Institutional Bidders subject to valid Bids being received at or above the Issue Price in accordance with this RHP.

QIBs are not allowed to withdraw their Bid after the Bid/ Issue Closing Date and are required to pay 10% Margin Amount upon submission of their Bid as per the provisions of the SEBI (ICDR) Regulations. For details see the chapter titled “Terms of the Issue” on page No. 293 in this RHP.

Steps to be taken by a Bidder to make a Bid:

- (1) Check eligibility (please see the section titled “Issue Procedure-Who can bid?” beginning on page No. 296 of this RHP);
- (2) Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- (3) Each of the bidders should hold a valid Permanent Account Number allotted under IT Act and mention his/ her PAN No. while bidding for this issue. For details please refer to the section titled “Issue Procedure” beginning on page no. 296 of this RHP. Bidders are specifically requested not to submit their General Index Register number instead of Permanent Account Number as the Bid is liable to be rejected on those grounds.
- (4) Ensure that the Bid cum Application Form is duly completed as per the instructions given in the DRHP, RHP, and Prospectus and in the Bid cum Application Form;
- (5) Bids by QIBs will only have to be submitted to the BRLM; and
- (6) The Bidder should ensure the correctness of his or her Demographic details (as defined in the section titled “Issue Procedure” beginning on 296 of this RHP) given in the Bid-cum-Application Form vis-à-vis those with his or her Depository Participant.

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)

The Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 60/- to Rs. 72/- per Equity Share, Issue size of 5,400 Equity Shares and receipt of five Bids from the Bidders. A graphical representation of the consolidated demand and price will be made available at the websites of the BSE (www.bseindia.com) during the Bidding/ Issue Period. The illustrative book as set forth below shows the demand for the Equity Shares of our Company at various prices and is collated from Bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
1,500	72	1,500	27.78%
3,000	69	4,500	83.33%
4,500	66	9,000	166.67%
6,000	63	15,000	277.78%
7,500	60	22,500	416.67%

The price discovery is a function of demand at various prices. The highest price at which our Company is able to issue the desired quantity of Equity Shares is the price at which the book cuts off, i.e., Rs.66 in the above example. Our Company, in consultation with the BRLMs, will finalize the Issue Price at or below such cut off price, i.e., at or below Rs.66. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective category.

Bids and any revision in Bids will **only be accepted between 10 a.m. and 3 p.m.** (Indian Standard Time) during the Bid/ Issue period as mentioned above at the bidding centres mentioned in the Bid cum Application Form **except that on the Bid/Issue Closing Date, Bids and any revision in Bids will only be accepted between 10 a.m. and 3.00 p.m. (Indian Standard Time)** and uploaded until (i) 5.00 p.m. in case of Bids from retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges. and (ii) 4.00 P.M. for uploading of bids received from non retail applicants i.e. QIBs, HNIs, Employees etc. . **Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/ Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on working days, i.e. Monday to Friday (excluding any public holiday).** Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

The Company in consultation with 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 up to a maximum of 20% of the Floor Price advertised at least one day before the Bid/Issue Programme: .

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

Bid/Issue Period

BID/ISSUE OPENS ON: JANUARY 11, 2010

BID/ISSUE CLOSES ON: JANUARY 13, 2010

Withdrawal of the Issue

The Company in consultation with the BRLM, reserves the right not to proceed with the issue any time after the Bid/Issue Opening Date but before the Allotment of Equity Shares without assigning any reason thereof.

Underwriting Agreement

After the determination of the Issue Price and allocation of our equity shares but prior to filing of the Prospectus with Registrar of Companies, Maharashtra, we will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill

their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and not joint, and are subject to certain conditions as specified in such agreement.

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)
Ashika Capital Limited 1008, Raheja Centre, 214, Nariman Point, Mumbai – 400 021	[•]	[•]
Ashika Stock Broking Limited 1008, Raheja Centre, 214, Nariman Point, Mumbai – 400 021	[•]	[•]
Mangal Keshav Securities Limited 501, Heritage Plaza, Opp. Indian Oil Nagar, Andheri (W), Mumbai – 400 053	[•]	[•]
Guiness Securities Limited Shop no.5, Rizvi Nagar, S.V. Road, Milan Subway, Santacruz (W) Mumbai - 400 054	[•]	[•]

The above-mentioned amount is an indicative underwriting and would be finalised after pricing and actual allocation. The above underwriting agreement is dated [•]. 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, in terms of the Regulation 15 (b) of SEBI (ICDR) Regulations. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act.

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

The BRLM and Syndicate Members shall not subscribe to the Issue in any manner except for fulfilling their underwriting obligations.

CAPITAL STRUCTURE

Share Capital as on date of filing the RHP with SEBI:

SHARE CAPITAL	Nominal Value (Rs.)	Aggregate Value at Issue Price
1. AUTHORISED CAPITAL		
5,00,00,000 Equity shares of Rs.10/- each	50,00,00,000	50,00,00,000
2. ISSUED SUBSCRIBED AND PAID-UP CAPITAL		
59,98,600 Equity shares of Rs.10 /- each fully paid up	5,99,86,000	5,99,86,000
3. PRESENT ISSUE IN TERMS OF THIS RHP		
Public Issue of [●] equity shares of Rs. 10/- each for cash at a price Rs. [●] per share	[●]	34,77,50,000
I Promoters Contribution [●] Equity Shares of Rs.10/- each for cash at a price Rs. [●] per share	[●]	5,00,00,000
II Net Offer to the Public [●]Equity Shares of Rs.10/- each for cash at a price Rs. [●] per share	[●]	29,77,50,000
4. PAID-UP EQUITY CAPITAL AFTER THE ISSUE		
[●] Equity Shares of Rs. 10/- each	[●]	[●]
5. SHARE PREMIUM ACCOUNT		
• Before the Issue	-	64,00,000
• After the Issue	-	[●]

Details of Increase in Authorised Capital:

Our Company was incorporated on 25th May 1992 with an initial Authorised Capital of Rs.10,00,000 divided into 1,00,000 Equity shares of Rs.10 each. The subsequent changes are stated below:

(In Rs.)

Date of Change	Increased from	Increased to	AGM/EGM
25 th May 1992	-	10,00,000	Incorporation
18 th February, 1994	10,00,000	25,00,000	EGM
30 th March, 1994	25,00,000	2,25,00,000	EGM
30 th May, 1994	2,25,00,000	4,00,00,000	AGM
29 th September, 2004	400,00,000	10,00,00,000	AGM
29 th September, 2007	10,00,00,000	30,00,00,000	AGM
15 th July, 2009	30,00,00,000	50,00,00,000	Postal Ballot

NOTES TO THE CAPITAL STRUCTURE

1. Share Capital History

The following is the history of the equity share capital of the Company up to the date of this RHP.

Date of Allotment of Equity Shares	No. of Shares Allotted	Cumulative no. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Cumulative Share Capital (Rs.)	Nature of / Reasons for Allotment
25 th May 1992	200	200	10	10	Cash	2000	Subscriber to the Memorandum
30 th March, 1993	4800	5000	10	10	Cash	50000	Further Issue of shares
1 st March, 1994	3500	8500	10	10	Cash	85000	Further Issue of shares
31 st March, 1994	116360	124860	10	10	Cash	1248600	Further Issue of shares
23 rd May, 1994	506740	631600	10	10	Cash	6316000	Further Issue of Shares
27 th May, 1994	728400	1360000	10	10	Cash	13600000	Further Issue of Shares
31 st May, 1994	730000	2090000	10	10	Cash	20900000	Further Issue of Shares
5 th December, 1994	1710100	3800100	10	10	Public Issue	38001000	Allotment made in Public Issue
29 th June, 1995	(1500)	3798600	10	-	Forfeiture	37986000	Incorrect allotment
16 th February, 2009*	2200000	5998600	10	10	Amalgamation	59986000	In terms of scheme of amalgamation sanctioned by the Hon'ble Bombay High Court vide its order dated 27 th June 2008

Except as mentioned in the table above we have not issued any shares for consideration other than cash

* For further details please refer page no 69 under section "Our History and Corporate Structure"

2. Details of Allotment to Promoters/Transfer by Promoters, Promoters Holding and Lock-in:

a) Allotment / Transfer of Equity Shares to Promoters

Name of the Promoter	Date of allotment/ Transfer	Nature of Allotment (Bonus, Rights etc.)	Consideration	Number of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price per Share (Rs.)	% of Post Issue Paid – Up Capital
Mr. Yashovardhan Birla	16 th February, 2009	Allotted pursuant to Scheme of Amalgamation in lieu of the shares of Shloka Finance Consultancy Pvt. Ltd., Shloka Software Pvt. Ltd., Shloka Graphics Pvt. Ltd., Shloka Peripherals Pvt. Ltd., Shloka Academy Pvt. Ltd.		11,200	10/-	8.93	[●]
		Sub -Total		11,200		8.93	
		Total		[●]	10/-	[●]	[●]
Birla Capital and Financial Services Limited	24 th September, 1999	Market Purchase	Cash	96,200	10/-	1.60	[●]
	1 st March, 2000	Market Purchase	Cash	500	10/-	1.60	[●]
	2 nd July, 2008	Market Purchase	Cash	1,96,553	10/-	52.84	
		Sub- Total		293,253	10/-	35.94	[●]
		Subscription in this Issue	Cash	[●]	10/-	[●]	[●]
		Total		[●]	10/-	[●]	[●]
Godavari Corporation Limited	28 th January 1998	Acquired for cash from Rathi Mercantile Industries Ltd. as per agreement dated 27 th June, 1998	Cash	7,77,000	10/-	1.50	[●]



	16 th February 2009	Allotted pursuant to Scheme of Amalgamation in lieu of the shares of Shloka Finance Consultancy Pvt. Ltd., Shloka Software Pvt. Ltd., Shloka Graphics Pvt. Ltd., Shloka Peripherals Pvt. Ltd., Shloka Academy Pvt. Ltd., Shloka Publications Pvt. Ltd.		10,79,780	10/-	6.75	[●]
		Sub-Total		18,56,780		4.55	
		Subscription in this Issue	Cash	[●]	10/-	[●]	[●]
		Total		[●]	10/-	[●]	[●]
Nirved Traders Private Limited	March, 2007	As per Scheme of Arrangement with Birla International Pvt. Ltd.		1,151	10/-	1.50	[●]
	18 th June 2008	Market Purchase	Cash	19,000	10/-	67.67	[●]
	19 th June 2008	Market Purchase	Cash	14,016	10/-	67.45	[●]
	20 th June 2008	Market Purchase	Cash	28,500	10/-	64.36	[●]
	23 rd June 2008	Market Purchase	Cash	4,000	10/-	60.60	[●]
	24 th June 2008	Market Purchase	Cash	8,000	10/-	62.97	[●]
	25 th June 2008	Market Purchase	Cash	7,031	10/-	60.62	[●]
	26 th June 2008	Market Purchase	Cash	1,034	10/-	61.33	[●]
	16 th February 2009	As per Scheme of Amalgamation in lieu of the shares of Shloka Finance Consultancy Pvt. Ltd., Shloka Graphics Pvt. Ltd., Shloka Publications Pvt. Ltd., Shloka Software Pvt. Ltd.		10,72,560	10/-	6.74	[●]
		Sub- Total		11,55,292		10.85	
		Subscription in this Issue		[●]	10/-	[●]	[●]
		Total		[●]	10/-	[●]	[●]



Asian Distributors Private Limited	28 th January 1998	Acquired for cash from Rathi Mercantile Industries Ltd. as per agreement dated 27 th June, 1998	Cash	100,000	10/-	1.50	[●]
	31 st August, 1998	Acquired through Open Offer	Cash	43,600	10/-	1.50	[●]
	5 th May, 1999	Purchase	Cash	1,900	10/-	1.50	[●]
	15 th September 2005	Sales	Cash	(100,000)	10/-		[●]
		Sub- Total		45,500	10/-	1.50	[●]
		Subscription in this Issue	Cash	[●]	10/-	[●]	[●]
		Total		[●]	10/-	[●]	[●]
Shearson Investments & Trading Co. Pvt. Ltd	16 th February, 2009	Allotment pursuant to Scheme of Amalgamation in lieu of the shares of Shloka Finance Consultancy Pvt. Ltd., Shloka Software Pvt. Ltd., Shloka Graphics Pvt. Ltd., Shloka Peripherals Pvt. Ltd., Shloka Academy Pvt. Ltd., Shloka Publications Pvt. Ltd.		36,360	10/-	7.65	[●]
		Sub- Total		36,360		7.65	
		Subscription in this Issue		[●]	10/-	[●]	[●]
		Total		[●]	10/-	[●]	[●]

b) PROMOTERS CONTRIBUTION AND LOCK IN

Name of the Promoter	Date of allotment/ Transfer	Consideration	Number of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price per Share (Rs.)	Promoters contribution (held as application money pending allotment)* Rs. In lacs	% of Post Issue Paid Up Capital	Lock in
Mr. Yashovardhan Birla	16 th February, 2009	Allotted pursuant to Scheme of Amalgamation	11,200	10	8.93		[•]	[•]
Birla Capital and Financial Services Limited	24 th September, 1999	Cash	96,200	10	1.60		[•]	[•]
	1 st March, 2000	Cash	500	10	1.60		[•]	[•]
	2 nd July, 2008	Cash	1,96,553	10	52.84		[•]	[•]
	Date of allotment under the Issue	Cash		10	[•]	100.00	[•]	[•]
Godavari Corporation Limited	28 th January 1998	Acquired from Rathi Mercantile Industries Ltd.	7,77,000	10	1.50		[•]	[•]
	16 th February 2009	Allotted pursuant to Scheme of Amalgamation	10,79,780	10	6.75		[•]	[•]
	Date of allotment under the Issue	Cash	[•]	10	[•]	100.00	[•]	[•]
Nirved Traders Private Limited	March, 2007	As per Scheme of Arrangement with Birla International Pvt. Ltd.	1,151	10	1.50		[•]	[•]
	18 th June 2008	Cash	19,000	10	67.67		[•]	[•]
	19 th June 2008	Cash	14,016	10	67.45		[•]	[•]
	20 th June 2008	Cash	28,500	10	64.36		[•]	[•]
	23 rd June 2008	Cash	4,000	10	60.60		[•]	[•]

Name of the Promoter	Date of allotment/ Transfer	Consideration	Number of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price per Share (Rs.)	Promoters contribution (held as application money pending allotment)* Rs. In lacs	% of Post Issue Paid Up Capital	Lock in
	24 th June 2008	Cash	8,000	10	62.97		[•]	[•]
	25 th June 2008	Cash	7,031	10	60.62		[•]	[•]
	26 th June 2008	Cash	1,034	10	61.33		[•]	[•]
	16 th February 2009	Cash	10,72,560	10	6.74		[•]	[•]
	Date of allotment under the Issue	Cash	[•]	10	[•]	100.00	[•]	[•]
Asian Distributors Private Limited	28 th January 1998	Acquired from Rathi Mercantile Industries Ltd.	100,000	10	1.50		[•]	[•]
	31 st August, 1998	Acquired through Open offer	43,600	10	1.50		[•]	[•]
	5 th May, 1999	Cash	1,900	10	1.50		[•]	[•]
	Date of allotment under the Issue	Cash	[•]	10	[•]	100.00	[•]	[•]
Shearson Investments & Trading Co. Pvt. Ltd	16 th February, 2009	Allotment pursuant to Scheme of Amalgamation	36,360	10	7.65		[•]	[•]
	Date of allotment under the Issue	Cash	[•]	10	[•]	100.00	[•]	[•]

Note: * The shares will be allotted on the basis of the price to be discovered in the Issue and have already been brought in and deployed.

* 20% of the Post-Issue Paid-up Equity Share Capital, as determined after the book-building process, would be locked-in for a period of three years from the date of allotment. The lock-in period shall be reckoned from the date of allotment of Equity Shares in the present Issue. These securities will not be disposed / sold / transferred by the Promoters during the

period starting from the date of filing the Red Herring Prospectus with SEBI till the date of commencement of lock in period as stated in the Red Herring Prospectus

The Equity Shares that are being locked-in are not ineligible for computation of Promoters contribution under regulation 33 of the SEBI Regulations. In this connection, as per regulation 33 of the SEBI Regulations, we confirm the following:

- The Equity shares offered for minimum 20% Promoters contribution are not acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or against shares which are otherwise ineligible for computation of Promoters contribution;
- The minimum Promoters contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which Equity Shares are being offered to the public in the Offer;
- The Equity shares offered for minimum 20% Promoters contribution were not issued to the Promoters upon conversion of a partnership firm;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters contribution are not subject to any pledge; and
- The minimum Promoters contribution does not consist of Equity Shares for which specific written consent has not been obtained from the respective Promoters for inclusion of their subscription in the minimum Promoters contribution subject to lock-in.

3. Shareholding pattern :

The table below presents the shareholding pattern of the Company as on 30th September, 2009 (filed under clause 35 with BSE) and after the proposed issue:

	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	12400	0.20	[•]	[•]
(b)	Central Government/ State Government(s)	0	0.00	[•]	[•]
(c)	Bodies Corporate	3387185	56.47	[•]	[•]
(d)	Financial Institutions/ Banks	0	0.00	[•]	[•]
(e)	Any Others(Specify)	0	0.00	[•]	[•]
(e-i)					
(e-ii)					
	Sub Total(A)(1)	3399585	56.67	[•]	[•]
2	Foreign				
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0.00	[•]	[•]
b	Bodies Corporate	0	0.00	[•]	[•]
c	Institutions	0	0.00	[•]	[•]
d	Any Others(Specify)	0	0.00	[•]	[•]
d-i					
d-ii					
	Sub Total(A)(2)	0	0.00	[•]	[•]
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3399585	56.67	[•]	[•]
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds/ UTI	0	0.00	[•]	[•]
(b)	Financial Institutions / Banks	3000	0.05	[•]	[•]
(c)	Central Government/ State Government(s)	0	0.00	[•]	[•]
(d)	Venture Capital Funds	0	0.00	[•]	[•]
(e)	Insurance Companies	0	0.00	[•]	[•]
(f)	Foreign Institutional Investors	0	0.00	[•]	[•]
(g)	Foreign Venture Capital Investors	0	0.00	[•]	[•]
(h)	Any Other (specify)	0	0.00	[•]	[•]
(h-i)	Nri Banks	0	0.00	[•]	[•]
(h-ii)					
	Sub-Total (B)(1)	3000	0.05	[•]	[•]
B 2	Non-institutions				
(a)	Bodies Corporate	297104	4.95	[•]	[•]
(b)	Individuals				

I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	1292483	21.55	[•]	[•]
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	970142	16.17	[•]	[•]
(c)	Any Other (specify)			[•]	[•]
(c-i)	Clearing Member	28026	0.47	[•]	[•]
(c-ii)	NRI	8260	0.14	[•]	[•]
(c-iii)	OCB's	0	0.00	[•]	[•]
(c-iv)	Trust	0	0.00	[•]	[•]
	Sub-Total (B)(2)	2596015	43.28	[•]	[•]
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	2599015	43.33	[•]	[•]
	TOTAL (A)+(B)	5998600	100.00	[•]	[•]
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0.00	[•]	[•]
	GRAND TOTAL (A)+(B)+(C)	5998600	100.00	[•]	[•]

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

4. Equity Shares held by top ten Shareholders

i) Top Ten shareholders two years prior to the date of filing of this RHP

Sl. No	Name of the shareholders	No. of shares Held	% age of Holding
1.	M/s. Godavari Corporation Pvt. Ltd.	777000	20.45
2.	M/s. Birla Bombay Pvt. Ltd.	196553	5.17
3.	M/s. Birla Capital & Financial Services Ltd.	96700	2.55
4.	Mr. Hitesh Ramji Javeri	69802	1.84
5.	Mr. Sanjivbhai Dhireshkumar Shah	101694	2.68
6.	Mr. Rooshikumar V Pandya	66012	1.74
7.	Ms. Harsha Hitesh Javeri	50101	1.32
8.	Preeti Tej Shah	49000	1.29
9.	M/s. Asian Distributors Pvt. Ltd.	45500	1.20
10.	Mr. Ashish Damani	30000	0.79
	Total	1482362	39.02

ii) Top ten shareholders 10 days prior to the date of filing of this RHP

Sl. No	Name of the shareholders	No. of shares Held	% age of Holding
1.	M/s. Godavari Corporation Pvt. Ltd.	1856780	30.95
2.	M/s. Nirved Traders Pvt. Ltd.	1155292	19.26
3.	M/s. Birla Capital & Financial Services Ltd.	293253	4.89
4.	Mr. Brig. J. N. Kohli (Retd.)	200000	3.33
5.	Mr. Saurabh Kohli	175000	2.92
6.	Ms. Mridu Kohli	175000	2.92
7.	Mr. Hawa Sarah Faisal	61874	1.03
8.	Mr. Navin Bothra	51570	0.86
9.	M/s. Asian Distributors Pvt. Ltd	45500	0.76
10.	M/s. Shearson Investment & Trading Pvt. Ltd.	36360	0.61
	Total	4050629	67.53

ii) Top ten shareholders as on the date of filing of this RHP

Sl. No	Name of the shareholders	No. of shares Held	% age of Holding
1.	M/s. Godavari Corporation Pvt. Ltd.	1856780	30.95
2.	M/s. Nirved Traders Pvt. Ltd.	1155292	19.26
3.	M/s. Birla Capital & Financial Services Ltd.	293253	4.89
4.	Mr. Brig. J. N. Kohli (Retd.)	200000	3.33
5.	Mr. Saurabh Kohli	175000	2.92
6.	Ms. Mridu Kohli	175000	2.92
7.	Mr. Hawa Sarah Faisal	56874	0.95
8.	Mr. Navin Bothra	51570	0.86
9.	M/s. Asian Distributors Pvt. Ltd	45500	0.76
10.	M/s. Shearson Investment & Trading Pvt. Ltd.	36360	0.61
	Total	4045629	67.44

- There have been no purchases and sales of the securities of our Company by the Directors, the Promoters, or the Promoter Group, during a period of six months preceding the date of this RHP.
- Buy-back and Standby Arrangement:** Our Company, its Promoters, Directors or the Lead Managers have not entered into any buy-back and/ or standby arrangements for purchase of Equity Shares of our Company from any person.
- The securities which are subject to lock-in shall carry the inscription “non-transferable” and the non-transferability details shall be informed to the depositories. The details of lock-in shall be provided to the stock exchanges where the shares are to be listed, before listing of the securities.
- In the case of over-subscription in all categories, not more than 50% of the Net issue to the Public shall be available for allocation on a proportionate basis to QIBs, of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion would be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds; not less than 15% of the Net issue to the Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net issue to the Public to Public shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
- An oversubscription to the extent of 10% of the Net Issue can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Issue as a result of which, the post-issue paid up capital after

the Issue would also increase by the excess amount of allotment so made. The number of Equity Shares to be issued to the Promoters and subject to lock- in will be determined after finalization of Issue Price. The number of shares to be issued to the Promoters will be such so as to ensure that the minimum contribution of 20% of the Post Issue paid-up capital is made and that the same is locked in for a period of 3 years.

10. Under-subscription, if any, in the Qualified Institutional Buyers category, Non-Institutional category and Retail Individual category would be met with the spill over from any other categories, at the sole discretion of the Company in consultation with the BRLM. If the aggregate demand by Mutual Funds is less than 5% of QIB Portion, the balance share available for allocation in the Mutual Fund Portion will be added to the QIB Portion and be allocated proportionately to QIB Bidders.
11. Our Company has not raised any bridge loan against the proceeds of the Issue
12. As of the date of this RHP, there are no outstanding financial instruments or warrants or any other right that would entitle the existing Promoter or Shareholders, or any other person any option to receive Equity Shares after the offering.
13. Our Company has not issued any bonus shares out of revaluation reserves. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this RHP to SEBI until the Equity Shares issued/ to be issued through the Prospectus are listed or application money refunded on account of failure of Issue.
14. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
15. We presently do not intend or propose to alter our capital structure for a period of six months from the Bid/ Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. Additionally, if we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider using our Equity Shares as currency for acquisitions or participation in such joint ventures we may enter into and/or we may raise additional capital to fund accelerated growth, subject to the compliance with the relevant guidelines/regulations etc.
16. No single applicant can make an application for number of shares, which exceeds the number of shares offered, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
17. The total number of members of our Company as on the date of filing RHP is 3467.
18. Our Company has not made any issue of Equity Shares during the last one year.
19. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
20. As on date of filing of this Red Herring Prospectus with SEBI, the entire Issued Share Capital of our Company is fully paid-up.
21. Since the entire money of Rs. [●]/- per share (Rs. 10/- face value + Rs. [●]/- premium) is being called on application, all the successful applicants will be issued fully paid-up shares only.
22. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our promoters to the persons who receive allotments, if any, in this issue.

23. We confirm that our BRLM, Ashika Capital Ltd. does not hold any equity share in our company.

SECTION-V

OBJECTS OF THE ISSUE

The objects of the issue are:

- Capital expenditure for Turnkey Projects executed by the company under the BOOT model
- Capital expenditure on upgradation of infrastructure and content development for XL@School
- Funding the proposed M&A activities
- To meet the Working Capital requirements
- Meeting the Public Issue Expenses

The main Objects Clause and objects incidental or ancillary to the main Objects Clause of the Memorandum of Association of the Company enables the Company to undertake the existing activities and the activities for which the funds are being raised by the Company, through the Issue.

Funds Requirement

Sl. No.	Particulars	Amount (Rs. In Lacs)
1.	Capital expenditure for Turnkey Projects executed by the company under the BOOT model	1500.00
2.	Capital expenditure on upgradation of infrastructure and content development for XL@School	950.00
3.	M&A activity	450.00
4.	Working Capital requirements	213.10
5.	Issue Expenses	303.15
6.	Contingencies	61.25
	TOTAL	3477.50

Means of Finance:

Sl. No.	Particulars	Amount (Rs. In Lakhs)	Amount (Rs. In Lacs)
1.	Public Offer of Securities		3477.50
	- Promoters Contribution	500.00	
	- Issue to Public	2977.50	
	TOTAL		3477.50

Proceeds from the Public Issue would be crystallized on finalization of the Issue Price on conclusion of the book building process. Any shortfall in the cost of the project would be met out of internal accruals. We have sufficient internal accruals, the balance of which as on 30th September is Rs. 203.87 lacs.

In case the Public Issue does not go as planned, our Company will make alternative arrangements like availing of fresh loans from bank(s) and/or utilizing internal accruals. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution or any independent organization. Our capital expenditure plans are subject to a number of variables, including possible cost availability of working capital finance on acceptable terms; and changes in management's views of the desirability of current plans, among others.

In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be met with by surplus funds, if any available in any other project and/or our Company's internal accrual, and/ or the term loans/working capital loans that may be availed from the Banks/ Financial Institutions.

Details of the Objects:

1. Capital expenditure for Turnkey Projects executed by the company under the BOOT model

We provide IT and IT enabled solutions to schools and institutions, which involves turnkey IT solutions like setting up of IT and related infrastructure and also imparting education. These are Build Own Operate and Transfer (BOOT) projects wherein we provide turnkey IT solution that involves Capital expenditure (CAPEX) and Operational Expenditure (OPEX) in the school. We implement such projects and charge our customers over a period of 36 to 60 months through a contract. These projects are called as ICT projects. The total cost estimate for this project is expected to be Rs. 1500 lacs.

We foresee an increase in number of customers (schools) that are likely to be covered under ICT BOOT project.

An ICT BOOT project typically involves:

- Procurement/Installation of Hardware
- Installing necessary infrastructure like furniture, Equipments and interior.
- Procurement/Installation of Software
- Employing the necessary faculty
- Building the necessary curriculum
- Delivery of Education and ensuring a minimum pass percentage among the students.

Facility and investment in schools

The Education Department of Thane district in its circular dated 3rd of July, 2009 has mentioned our Company as one of the entities in the District which implements ICT projects in school and the said circular has recommended BSEL for the execution of the said project. 1057 schools come under the purview of the above circular. We target to serve atleast 35% of these schools, which amount to approx 375 schools in number.

Further, our Company has bid for 2 major projects namely implementation of Computer Education Programme on BOOT Model in 2500 Secondary and Higher Secondary Schools and implementation of ICT@ School Project in Madhya Pradesh state covering about 2012 Schools. However, the final outcome of these bids is awaited. In addition to the above the company has bid for similar projects of other states such as Jharkhand and Rajasthan.

A school on an average needs 12 computers and related IT assets, power backup equipment and furniture/interior for computer lab. The total cost of IT hardware, software and equipments is estimated to Rs. 3.75 Lacs and that of furniture and interior is estimated to Rs. 0.25 Lacs. Total CAPEX in schools is estimated to 1500.00 Lacs.

Overall Investment:

(Rs. In Lacs)			
Particulars	No. of schools	CAPEX per school	Total
IT hardware, software & equipments	375	3.75	1406.25
Furniture & interior	375	0.25	93.75
TOTAL			1500.00

Break up of IT hardware, software and equipments per school

(Rs. In Lacs)

Particulars	Units	Rate	Total Cost
Desktop computers with software	12	0.22	2.64
Server with TFT monitor	1	0.35	0.35
Equipment, peripherals and Networking	1	0.26	0.26
UPS system	1	0.50	0.50
TOTAL			3.75

Break up of furniture & interior per school

(Rs. In Lacs)

Particulars	Units	Rate	Total Cost
Tables	13	0.015	0.20
Chairs	25	0.002	0.05
TOTAL			0.25

Details of equipments for which quotations have been received:

(Rs. In Lacs)

Sl. No.	Description	Quantity	Unit Price (Rs.)	Total value	Supplier	Quotation Date
1.	Desktop Computers	100	20,000	20.00	HCL Infosystems Ltd.	20 th July, 2009
2.	Server Computer	25	35,000	35.00	HCL Infosystems Ltd.	20 th July, 2009
3.	UPS system	15	50,000	50.00	Uniline Energy Systems (P) Ltd.	20 th July, 2009
4.	Networking hardware and cable		11,000		Othree System & Solutions	27 th July, 2009
5.	Computer Tables		1580		Choice Interior	22 nd July, 2009
6.	Chairs		242		Nilkamal Ltd.	23 rd June, 2009

We are yet to place orders for any of the above mentioned equipments. We do not intend to purchase any second hand equipment for the implementation of the project.

2. Capital expenditure on upgradation of infrastructure and content development for XL@School

We currently have multimedia contents for mathematics and science subject for standard 1st to 10th for SSC Board of Maharashtra and CBSE Board. We have initiated the process to include other subjects namely Social Science and English and would also build various modules related to IT training. Total investment for multimedia content development is Rs. 950 Lacs.

Multimedia content development - Overall CAPEX

(Rs. In Lacs)

Particulars	Amount
Manpower cost	350.00
IT hardware, furniture & interior and other equipments	90.00
Purchase of Multimedia Content Library	500.00
Overheads (<i>electricity and other overheads</i>)	10.00
TOTAL	950.00

Break up of Manpower cost – content development

(Rs. In Lacs)

Particulars	No. of months	Cost per month	No. of people	Total cost
Content Head	10	0.80	1	8.00
Subject Experts	10	0.40	15	60.00
Voice over artists	10	0.25	16	40.00
Animators	10	0.25	80	200.00
Quality check	10	0.20	21	42.00
TOTAL				350.00

The company already has manpower of 60 people and is in the process of recruiting more personnel. The recruitment process shall be completed by the end of the current financial year.

Break up of IT hardware and equipment cost

(Rs. In Lacs)

Particulars	Unit Rate (Rs.)	Quantity	Total Investment
Computer Desktops	25,000	120 Nos.	30.00
UPS System with batteries	4,00,000	1 No.	4.00
Printers	20,000	5 Nos.	1.00
Development centre – Interior & furniture	1,100	5000 Sq.ft	55.00
TOTAL			90.00

Details of equipments and other items for which quotations has been received

(Rs. In Lacs)

Sl. No.	Description	Quantity	Unit Price (Rs.)	Total over value	Supplier	Quotation Date
1	Desktop Computers	120	25,000	30.00	HCL Infosystems Ltd.	20 th July, 2009
2	UPS system	1	4,00,000	4.00	Uniline Energy Systems (P) Ltd.	20 th July, 2009
3	Computer Printer	5	20,000	1.00	HCL Infosystems Ltd.	20 th July, 2009
4	Furniture & Interior	5000 sq.ft	1,100	55.00	Desiign 10 Architects & Interior Designers	24 th July, 2009
TOTAL				90.00		

We have not placed order for any of the above equipment and do not intend to purchase any second hand equipment for implantation of this activity.

Purchase of Multimedia Content Library

(Rs. In Lacs)

Particulars	Unit Rate (Rs.)	Quantity	Total Investment
Multimedia 2D animation Content Library	6240	4700 Minutes	293.00
Ready to deploy – 2D image Library (consisting of Mythology based images, Background, and themes)	98.00	1 No.	98.00
Picture Elements- School curriculum subject base	66.00	1 No.	66.00
Sound Elements - School curriculum subject base	43.00	1 No.	43.00
TOTAL			500.00

The above contents have been purchased from the share application money brought in by the promoters.

3. M&A activity

We plan to allocate Rs. 450 lacs for M&A activities including Joint Ventures. This would increase the pace of our growth enabling us to secure higher volume of business. As a beginning the Company has already excuted a Joint Venture Agreement with Vision India Software Exports Private Limited which will, inter alia, entail setting up of a Joint Venture Company which will acquire the business of Vision India Software Exports Private Limited.

We are looking at profitable yet undervalued companies with a good strategic fit and complementary business portfolio. The potential targets for acquisition/Joint ventures are:

- ICT solution companies.
- Education Technology Companies.
- Content Development Companies.
- Multimedia/ Graphic Design Companies.

Though specific Companies for acquisitions have not yet been finalized, we are currently in the process of short listing the target Companies that meets the chosen criteria.

4. Working capital

We operate on a BOOT business model where we enter into contract over a period of 36 to 60 months with schools. The revenue is charged monthly/quarterly / half yearly at the end of the respective period. The average collection time and blockage in receivable is about 180 days in schools. We foresee an increase in no. of schools by 500 nos. and this will create a requirement of additional working capital to the tune of Rs. 213 Lacs.

Following are the major components in working capital:

Particulars	No. of months
Inventory	1 months
Receivables	6 months
Other current assets	2 months
Sundry Creditors	3 months

Incremental working capital

(Rs. In Lacs)

	2008-09 Actual	2009-10 (Estimated)
Inventory	27.95	97.77
Receivable	2048.39	2226.00
Other Current Assets	363.67	396.67
Less: Current Liabilities & Provisions	1817.78	1885.11
Net working capital (other than cash)	622.23	835.33
Net Increase		213.10

The estimated net increase in working capital is Rs. 213.10 Lacs, which will be funded from the proceeds of the issue.

5. Issue Expenses

The Issue expenses estimated by our Company are as under:

Sl. No.	Particulars	Amount (Rs. In Lacs)	% age of Issue Expenses	% age of Issue Size
1.	Book Running Lead Managers' fees, Underwriting & Brokerage	[•]	[•]	[•]
2.	Registrars fees including postage	[•]	[•]	[•]
3.	Legal Advisor's fees	[•]	[•]	[•]
4.	Stock Exchange fees for providing bidding terminals	[•]	[•]	[•]
5.	SEBI fees on filing of Offer Document	[•]	[•]	[•]
6.	Printing & Distribution of Stationary	[•]	[•]	[•]
7.	Advertisement and Marketing Expenses	[•]	[•]	[•]
8.	Other Miscellaneous expenses (Auditors fees, Listing fees, etc.)	[•]	[•]	[•]
	TOTAL	303.15		

Provision for Contingencies

Provision for Contingencies is estimated at Rs. 61.25 Lacs which is around 2.5 % of our total CAPEX.

Schedule of Implementation

(Rs. in Lacs)

Particulars	Quarter II 2009-10	Quarter III 2009-10	Quarter IV 2009-10	Quarter I 2010-11	Quarter II 2010-11	Quarter III 2010-11	Quarter IV 2010-11	Quarter I 2011-12	Total
I. IT & IT Enabled services in Schools for ICT BOOT Project									
No. of schools under implementation	0	0	60	75	75	75	90	0	375
Fund utilisation	0.00	0.00	240.00	300.00	300.00	300.00	360.00	0.00	1500.00
II. Multimedia Content Development - Overall CAPEX									
Manpower Cost	0.00	0.00	50.00	60.00	60.00	60.00	60.00	60.00	350.00
Electricity & Other overheads	0.00	0.00	1.50	1.70	1.70	1.70	1.70	1.70	10.00
IT Hardware, Furniture & Interior	0.00	0.00	60.00	30.00	0.00	0.00	0.00	0.00	90.00
Purchase of Multimedia Content Library	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00
Subtotal of II	500.00	0.00	111.50	91.70	61.70	61.70	61.70	61.70	950.00
III. IT & IT Enabled Services - Working capital	0.00	0.00	0.00	34.08	42.60	42.60	42.60	51.22	213.10
IV. Mergers & Acquisition	0.00	0.00	0.00	0.00	250.00	200.00	0.00	0.00	450.00
V. Issue Expenses	0.00	27.89	275.26	0.00	0.00	0.00	0.00	0.00	303.15
VI. Contingencies	0.00	3.00	36.43	5.91	3.98	3.98	3.98	3.97	61.25
Total Fund utilization	500.00	30.89	663.19	431.69	658.28	608.28	468.28	116.89	3477.50

Deployment of Funds in the Project

We have incurred the following expenditure on the project till August 18, 2009. The same has been certified by our statutory auditors, M/s. LKM & Co., Chartered Accountants vide their certificate dated 21st August, 2009.

Sl. No.	Particulars	Amount Deployed till August 18, 2009 (Rs. In Lacs)
1.	Purchase of Multimedia Content Library	500.00
	Total	500.00

The sources of funds for the above mentioned deployment are as follows:

Sources of Funds (Share application money received from Promoter Companies):

Sl. No	Particulars	Amount (Rs. In Lacs)
1.	Birla Capital and Financial Services Limited	100.00
2.	Godavari Corporation Limited	100.00
3.	Nirved Traders Private Limited	100.00
4.	Asian Distributors Private Limited	100.00
5.	Shearson Investments & Trading Co. Pvt. Ltd	100.00
	Total	500.00

Year Wise Deployment of Funds

The overall cost of the proposed Project and the proposed year wise break up of deployment of funds are as under:

(Rs. in Lacs)

Sl. No.	Particulars	Amount Deployed till August 18, 2009	Amount to be deployed in			Total
			FY 2009-10	FY 2010-11	Ist Quarter of FY 2011-12	
1	Capital Expenditure for BOOT model	0.00	240.00	1260.00	0.00	1500.00
2	Capital Expenditure for XL@school	500.00	111.50	276.80	61.70	950.00
3	Mergers & Acquisition Activity	0.00	0.00	450.00	0.00	450.00
4	Working Capital Requirements	0.00	0.00	161.88	51.22	213.10
5	Issue Expenses	0.00	303.15	0.00	0.00	303.15
6	Contingencies	0.00	39.43	17.85	3.97	61.25
	Total	500.00	694.08	2166.53	116.89	3477.50

Interim Use of Funds

The Board of Directors of our Company in compliance with Clause 49 of the listing Agreement has formed an Audit Committee, which would monitor the interim use of Funds. Pending utilization for the purposes described above, we intend to temporarily invest the funds in high quality, interest/ dividend bearing liquid instruments including money market mutual funds, deposits with banks for the necessary duration. Such investments would be in accordance with investment policies approved by our Board of Directors from time to time.

Monitoring Of Utilization of Funds

As our Issue size is less than 500 Crores, we have not appointed any monitoring agency to monitor the utilization of issue proceeds, as the same is not required as per SEBI Guidelines. A Committee of Directors has been formed viz, the Project Monitoring Committee to monitor the implementation of the project and the utilization of proceeds of this Issue on a regular basis.

We will disclose the utilization of the proceeds raised through this Issue under a separate head in our financial statements clearly specifying the purpose for which such proceeds have been utilized. No part of this Issue proceeds will be paid by us as consideration to our Promoter, Directors, key managerial personnel or entities promoted by our Promoter, save and except in the normal course of business.

BASIC TERMS OF THE ISSUE

Terms of the Issue

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

Terms of Payment:

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

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

Authority for the Issue

The issue of Equity Shares by our Company has been proposed by the resolution of the Board of Directors passed at their meeting held on 25th May, 2009. The shareholders of our Company authorized and approved this Issue under section 81(1A) of the Act by a Special Resolution through Postal Ballot on 15th July 2009.

Ranking of Equity Shares

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

Face Value and Issue Price per Share

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

Market Lot and Trading Lot

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

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

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Net Issue to the Public including devolvement of underwriters, if any, within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days, after the issuer becomes liable to pay the amount we and every director of our Company who is an officer in default, shall pay the amount with interest as per Section 73 of the Companies Act. If the number of Allottees in the proposed Issue is less than 1,000 Allottees, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after we become liable to pay the amount, we shall pay interest at the rate of 15% per annum for the delayed period.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the equity shares offered by our Company by way of book building.

Investors should read the following summary with the Risk Factors included starting from page xii and the details about our Company and its financial statements included in this RHP on page 161. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Qualitative Factors

- The core strength of our company is the capability to develop educational content & software in-house.
- Our company is one of the early players in the ICT segment and has a successful an impressive track record.
- We have grown in reputation over the years and our product under the brand name 'XL@School' is well accepted in the market.
- We are an ISO 9001:2000 certified company.
- The Yash Birla Group is a well established name in the area of education.

Quantitative Factors

Presented in this section is derived from our Company's restated, consolidated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1) Adjusted earning per share (EPS) weighted

Year ended	EPS (Rs.)	Weightage
Six Months Ended 30 th September 2009	1.26	
31 st March 2009	0.52	3
31 st March 2008	0.64	2
31 st March 2007	0.16	1
Weighted average EPS	0.50	

Note: EPS represents basic earnings per share calculated as per Accounting Standard 20 issued by Institute of Chartered Accountants of India.

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

	Issue Price of Rs. [●] per share
• Based on 2008 – 09 EPS of Rs. 0.52	Rs. [●]
• Based on weighted average EPS of Rs. 0.50	Rs. [●]

3) Return on Net worth

Year ended	RONW (%)	Weightage
Six Months Ended 30 th September 2009	5.90	
31 st March 2009	4.46	3
31 st March 2008	5.82	2
31 st March 2007	1.42	1
Weighted Average RONW	4.41	

The average return on net worth has been computed on the basis of the restated profits and losses of the respective years.

4) Minimum return on total Net worth after issue needed to maintain pre-issue EPS for the year ended March 31, 2009 is [●] %

5) Net Asset Value (NAV) per share (Rs.)

a) As on March 31 st 2009	Rs.11.75
b) Six Months Ended 30 th September 2009	Rs. 21.37
c) Issue Price*	[•]
d) After Issue	[•]

**would be compared finalised after discovery of the Issue Price through Book Building process*

The NAV per share as on [•] is Rs. [•]

6) Comparison with Industry Peers and Industry average

Name	Face Value	EPS	RoNW (%)	NAV (Rs.)	P/E
Everonn Systems India Ltd.	10	15.60	15.40	142.50	22.7
Educomp Solutions Ltd.	10	13.80	37.00	108.60	40.3
Birla Shloka Edutech Ltd	10	0.50	4.41	11.75	[•]*

(Source: Capital Market December 14, 2009 – December 27, 2009)

** Based on the Issue Price to be determined on conclusion of Book Building Process and the diluted EPS of our Company.*

7) The face value of our Equity Shares is Rs. 10 and the Issue Price is Rs. [•] i.e., [•] times of the face value.

The Issue Price of Rs. [•] has been determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares by way of Book Building and is justified on the basis of the above factors.

STATEMENT OF GENERAL TAX BENEFITS

Board of Directors,
Birla Shlokha Edutech Limited
Dalamal House, 1st Floor, J.B.Marg,
Nariman Point,–
MUMBAI - 400 021.

Dear Sirs,

Sub: Statement of Possible Tax Benefits

We hereby report that the enclosed annexure states the possible tax benefits that may be available to Birla Shlokha Edutech Limited (the “Company”) and to the Shareholders of the Company under the provisions of the Income Tax Act, 1961 and Wealth Tax Act, 1957 presently in force in India.

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

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. This statement is only intended to provide general information and to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Further, we have also incorporated the amendments brought out by the Finance Act, 2008, where applicable.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been / would be met with;
- the revenue authorities/ courts will concur with the views expressed herein.

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

The contents of this annexure(s) are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. While all reasonable care has been taken in the preparation of this opinion, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

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

For and on behalf of
L.K.M & CO
Chartered Accountants

(LAXMIKANT MALPANI)

Proprietor
Membership No.106989

MUMBAI

4th December 2009

Annexure

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

A) SPECIAL TAX BENEFITS:

As per the existing provisions of the Income Tax Act and other laws as applicable for the time being in force the company and its share holders will not be entitled to any special Tax Benefit under any law.

B) GENERAL TAX BENEFITS:

The following tax benefits are available to all companies or to the shareholders of any company after fulfilling conditions, if any as required in the respective Acts.

Statement of possible general tax benefits available to M/s. Birla Shloka Edutech Limited and its shareholders.

As per the existing provisions of the income tax act, 1961 (the Act) and other laws as applicable for the time being in force, the following tax benefits and deductions are and will, inter-alia be available to M/s. Birla Shloka Edutech Limited and its Shareholders. These benefits are available to all companies or to the shareholders of any company, after fulfilling certain conditions as required in the respective Act.

Benefits available to the Company

Under section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.

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

Benefits available to resident shareholders, approved infrastructure capital companies, infrastructure capital funds and co-operative banks

Under section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

Under section 48 of the IT Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, as per second proviso to section 48 of the IT Act, in respect of long term capital gains (i.e. shares held for a period exceeding 12 months) from transfer of shares of Indian Company, it permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index, as prescribed from time to time.

Under section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.

Under section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

Under section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:

- (a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
- (b) 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 available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act for any assessment year beginning on or after April 1, 2006.

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

Under section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

Benefits available to mutual funds

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

Benefits available to foreign institutional investors ('FIIs')

Under section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

Under section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.

Under section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:

- (a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;

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

Under section 115AD (1)(ii) of the Act short term capital gains on transfer of securities shall be chargeable @ 30% and 10% (where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax). The Finance Act, 2008, has brought in an amendment to the effect that from Assessment Year 2009-2010, the rate of 10 percent stands increased to 15 percent. The above rates are to be increased by applicable surcharge and education cess.

Under section 115AD (1) (iii) of the Act income by way of long term capital gain arising from the transfer of shares (in cases not covered under section 10(38) of the Act) held in the company will be taxable @10% (plus applicable surcharge and education cess). It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.

As per section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the IT Act to the extent they are more beneficial to the FII.

Benefits available to venture capital companies/ funds

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

Benefits available to non-residents/ non-resident Indian shareholders (other than mutual funds, FIIs and foreign venture capital investors)

Under section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

Under section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.

Under the first proviso to section 48 of the IT Act, in case of a non resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by section 115E of the IT Act-discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/ loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized in the purchase of the shares.

Under section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

Under section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:

- (a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
- (b) 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 available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion.

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

Under section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax.

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

Under section 115E, where the total income of a non-resident Indian includes any income from investment or income from capital gains of an asset other than a specified asset, such income shall be taxed at a concessional rate of 20 per cent (plus applicable surcharge and education cess). Also, where shares in the company are subscribed for in convertible foreign exchange by a Non-Resident India, long term capital gains arising to the non-resident Indian shall be taxed at a concessional rate of 10 percent (plus applicable surcharge and education cess). The benefit of indexation of cost and the protection against risk of foreign exchange fluctuation would not be available.

Under provisions of section 115F of the IT Act, long term capital gains (in cases not covered under section 10(38) of the IT Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange (in cases not covered under section 115E of the IT Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

Under provisions of section 115G of the IT Act, it shall not be necessary for a Non-Resident Indian to furnish his return of income under section 139(1) if his income chargeable under the Act consists of only investment income or long term capital gains or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.

BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

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

Notes:

- *The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;*
- *The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws, including as laid down by the circular 4/2007 dated 15th June 2007 issued by CBDT concerning capital gain, for availing concessions in relation to capital gains tax;*
- *This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;*
- *In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and*
- *The stated benefits will be available only to the sole/first named holder in case the shares are held by joint share holders.*

SECTION VI – ABOUT US

INDUSTRY OVERVIEW

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

Education encompasses teaching and learning specific skills, and also something less tangible but more profound: the imparting of knowledge, positive judgment and well-developed wisdom.

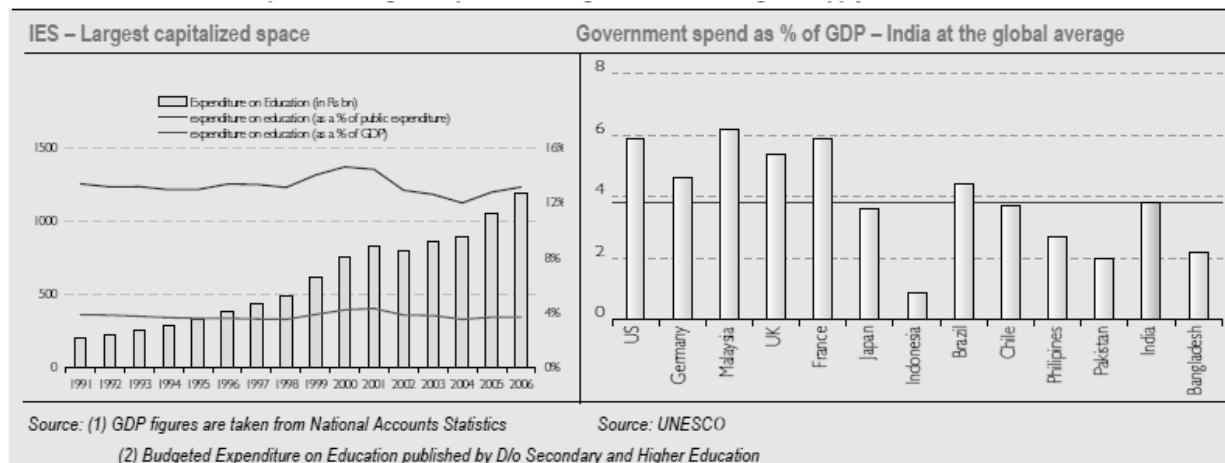
Since independence, education has been visualized in government policies as a precursor to national development as well as to better quality of life. Growth in public expenditure on education has not been impressive in terms of real prices and on per student basis. In the Education Policy of 1968 it was envisaged that public expenditure on education as a proportion of GDP will increase to 6% over time. While GDP since increased 61 fold by 2002, public expenditure on education increased from 1.68% to only 4.02% by 2002. During 1990s, after the economic reform policies were introduced, public expenditure on education declined from above 4% in 1990-91 to about 3.95% in 1998-99. Thus, raising public expenditure on education to a level of 6% of GDP has remained a national commitment for nearly forty years now. The National Common Minimum Programme (NCMP) has also reiterated this commitment. To fulfill this commitment, in addition to augmenting budgetary support the Government imposed an education cess on direct and indirect taxes in the Finance Act 2004-05 (No.2). The resource generating capacity of the Government has got a boost after high growth rates in the X FYP and the resulting exuberance should offer the right opportunity to meet this long pending commitment of expenditure on education which would also help in converting the opportunity offered by demographic transition to a scenario of growth with social justice and its future sustainability.

With the liberalization and globalization of the Indian economy, the rapid changes witnessed in scientific and technological world and the general need to improve the quality of life and to reduce poverty, it is essential that school leavers acquire a higher level of knowledge and skills than what they are provided in the 8 years of elementary education, particularly when the average earning of a secondary school certificate holder is significantly more than that of a person who has studied only up to class VIII. It is also necessary that besides general education up to secondary level, opportunities for improvement of vocational knowledge and skill should be provided at the higher secondary level to enable some students to be employable.

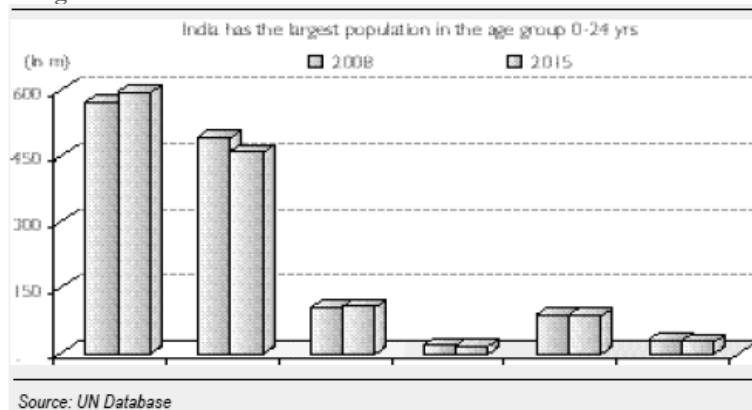
(Source: www.planningcommission.nic.in, report of Working Group on Elementary Education and Literacy and on Secondary Education for the 11th Five Year plan)

The Indian Education Sector is by far the largest capitalized space in India with government spend of \$30bn (2006; at ~3.7% of GDP, it is in line with the global average). For the 11th 5-year Plan, the Centre has allocated a 6 times higher spend on education. Importantly, the extent of the spends have created one of the 'largest' education networks globally of more than 1 million schools and approximately 17000 higher education institutes (HEIs) in India, home to the largest population within the age group 0-24 years.

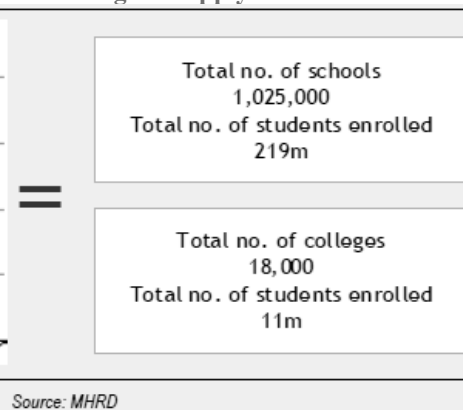
The ‘inefficient’ equation – ‘Largest’ capitalized = Largest demand = ‘Largest’ supply



Largest demand



‘Largest’ supply



Initiative by Indian Government

To ensure “Education for All” the Department of School Education and Literacy has a multi pronged approach. Two flagship programmes are being implemented viz. the Sarva Shiksha Abhiyan (SSA) and the Midday Meal Programme (MDM).

While the Sarva Shiksha Abhiyan aims to achieve universal elementary education of satisfactory quality by 2010, the MDM supports it by way of enhancing attendance of children and simultaneously improving their nutritional status. Owing to increase in the number of students completing at elementary stage, there is a surge in demand for secondary education. It is, therefore, essential to be prepared to meet it through improving access at secondary level.

Few of the new initiatives during the 11th five year plan for secondary education are as follows:

1. Prime minister in his Independence Day address for 2007 has announced that the central Government will support setting up of 6000 model schools throughout the country on school at each block to serve as bench of excellence.
2. **ICT in schools:** A revamped scheme of Information Communication Technology (ICT) in Schools will be implemented in partnership with the states and private providers. The scheme provides computer aided education and ICT literacy with

broadband connectivity in about one lakh secondary and higher secondary schools of Government, Local bodies and Government -Aided schools.

3. Computer Aided Education both at elementary and secondary level The XI Plan outlay for Higher Education is roughly Rs. 85,000 Cr. which marks an over 9 times increase (at current prices) over the X Plan expenditure. Priorities for Higher Education in the XI Plan are expansion of access (i.e. of institutional infrastructure), equity (i.e. to ensure effective participation of disadvantaged groups, and to correct regional imbalances), improvement of quality, and optimal use of Information & communication technology to promote achievement of these objectives.
4. It is also proposed to launch a National Education Mission through Information present and Communication Technology which will provide Broadband connectivity to all the institutions of higher numbering about 400 University level institutions and over 20000 degree colleges besides making available high quality e-content for dissemination through the connectivity to be provided under this Mission.

In a nutshell, the strategies for entire school education are aimed at:

1. Addressing residual access at elementary level and improving access at secondary level.
2. Addressing equity by way of incentives for girls and students belonging to SC/ST/Minority etc.
3. Improving quality by focusing on acquisition of basic competencies in numeracy & language in schools at primary stage and improved learning level in Science and Maths particularly thereafter.
4. Computer Aided Education both at Elementary & Secondary level.

Centrally Sponsored Scheme of Information & Communication Technology (ICT) in schools

The Information and Communication Technology [ICT] in School Scheme was launched in December 2004, to provide opportunities to secondary stage students to mainly build their capacity on ICT skills and make them learn through computer aided learning process. The Scheme is a major catalyst to bridge the digital divide amongst students of various socio economic and other geographical barriers. The Scheme provides support to States/UTs to establish computer labs on a sustainable basis. It also aims to setup SMART schools in Kendriya Vidyalayas and Navodaya Vidyalayas which are pace setting institutions of the Government of India to act as “Technology Demonstrators” and to lead in propagating ICT skills among students of neighbourhood schools.

Objectives

1. To establish an enabling environment to promote the usage of ICT especially in Higher Secondary and Secondary Government Schools in rural areas. Critical factors of such an enabling environment include widespread availability of access devices, connectivity to the Internet and promotion of ICT literacy.
2. To ensure the availability of quality content on-line and through access devices both in the private sector and by SIETs.
3. Enrichment of existing curriculum and pedagogy by employing ICT tools for teaching and learning.
4. To enable students to acquire skills needed for the digital world for higher studies and gainful employment
5. To provide an effective learning environment for children with special needs through ICT tools.
6. Promote critical thinking and analytical skills by developing self- learning. This shall transform the classroom environment from teacher centric to student-centric learning.
7. To promote the use of ICT tools in distance education including the employment of audio-visual medium and satellite-based devices.

Coverage

The Scheme currently covers both Government and Government aided Secondary and Higher Schools. Support is provided for procurement of computers and peripherals, educational software, training of teachers, computer stationary, internet connectivity and for monitoring purposes. A computer lab having at least 10 work stations is envisaged. For Smart Schools the lab may have at least 40 work stations.

Financial Assistance and Cost Norms

The financial assistance is given to States and other institutions on the basis of the approvals accorded by Project Monitoring and Evaluation Group headed by secretary of the Department of School Education and Literacy.

The Group also consists of the representatives of other Ministries, experts and others. The unit cost per school is Rs. 6.7 lakh. Central Assistance is provided in the ratio of 90:10 of the Annual Project Cost between Center and the Special Category States, and in the ratio of 75:25 among the remaining States and UTs.

Norms for expenditure on various items / activities are as follows:

- 1.10 PCs/Printer/CRT per school inclusive of facilities like scanner, web camera, modem etc. or one server with 10 workstation with accessories.
2. Operating System & Application Software
3. Educational Software
4. Furniture
5. Computer Stationery
6. Teachers' Training
7. Internet
8. Maintenance
9. Monitoring Cost
10. Recurring Costs, which includes consumables, hardware and network maintenance, monitoring costs, telephone for Internet usage

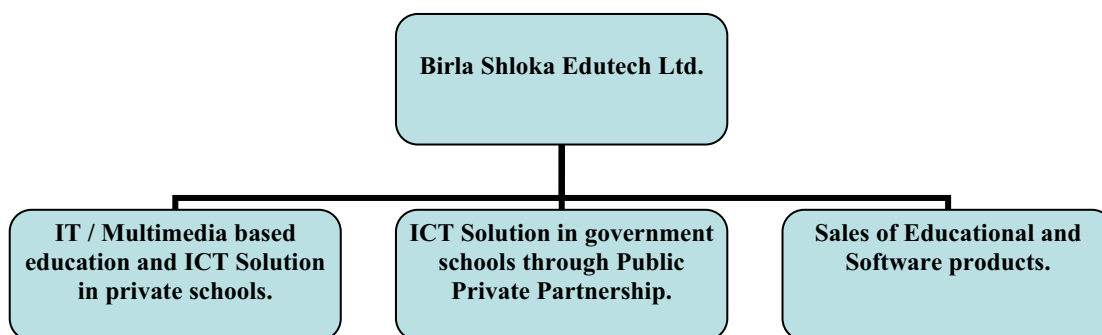
It may be noted that even in the revised norms, it is proposed to have greater in-built flexibility. The States would have the option to incur expenditure on the above items or any other item like generators, reparation of labs for computers including civil repairs and cabling and provision of electricity depending upon their needs and resources, subject to an overall maximum limit of Rs.6.70 lacs per school. The Central Government's share would be restricted to Rs.5.00 lacs per school.

(Source: Ministry of Human Resource Development - Department of Higher Education website)

OUR BUSINESS OVERVIEW

Birla Shloka Edutech Ltd. is one of the education companies in India and is engaged in sales and services of varied products to education institutions. We are engaged in providing IT infrastructure and imparting IT and IT enabled education in schools of various boards. We setup computer labs, Digital classroom solutions and Audio Visual solutions in schools along with our software product “XL@School” which is a curriculum based interactive multimedia software for mathematics and science subjects.

We have following Strategic Business Units:



I. Multimedia and ICT in Private School:

a. Multimedia in schools

We impart IT education and IT enabled education in schools. We have school curriculum based multimedia contents under name and style “XL@School” for various school education boards like SSC Maharashtra, CBSE and ICSE. These are subject based multimedia contents used as teaching aid by teachers.

We license our multimedia contents on subscription basis to schools. The contents license is given on quarterly/half yearly or yearly subscription. Currently we are operating in parts of Maharashtra, Madhya Pradesh and Rajasthan.

b. ICT Solution:

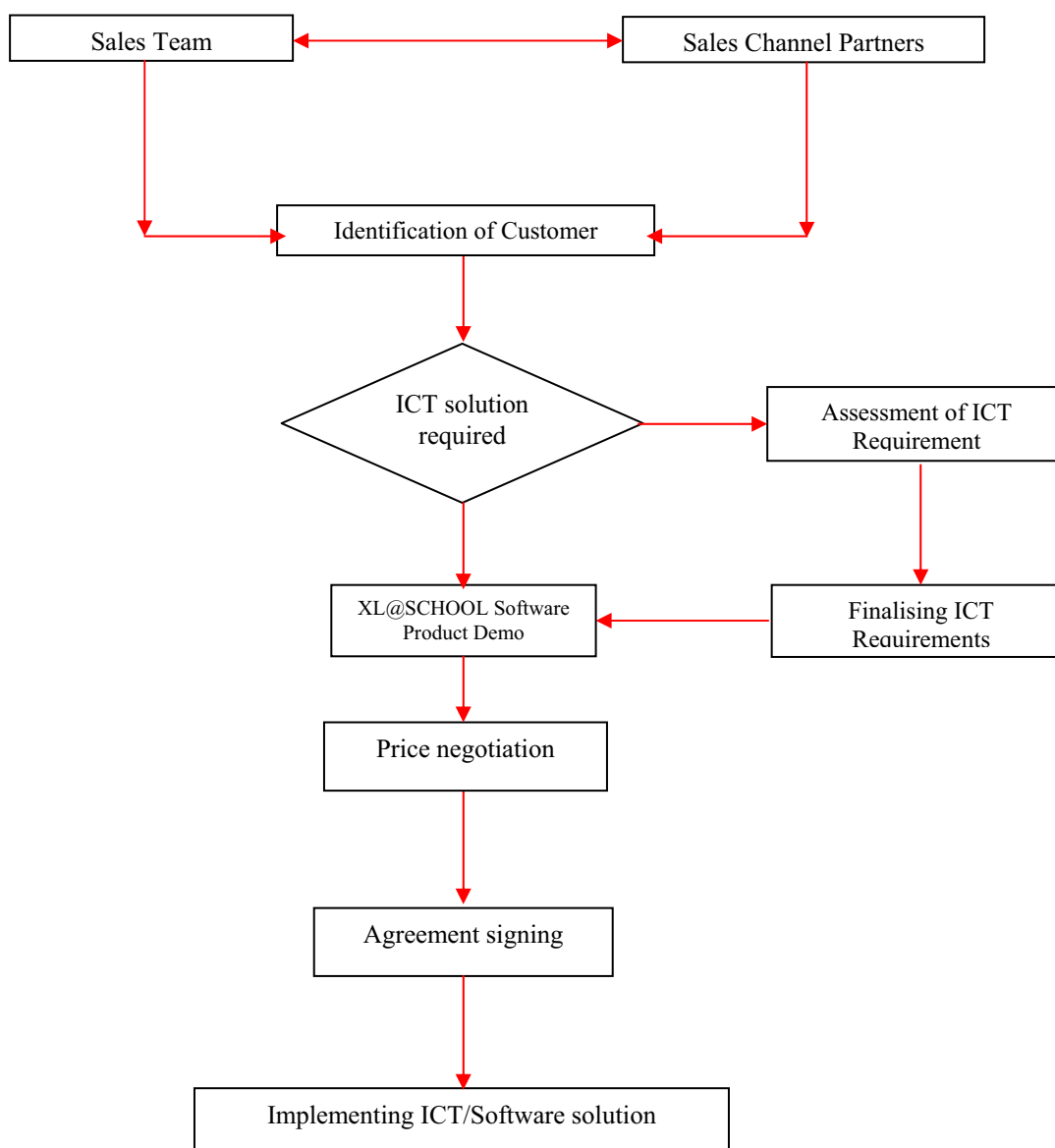
There are two steps in implementing IT in schools. Firstly, Imparting IT education and secondly imparting education through IT. Creating IT awareness in students is one of the prerequisite for implementing IT enabled education and this calls for basic IT education to students as a first step. Implementation of IT involves setting up of IT infrastructure in its first stage. We provide ICT (Information & Communication Technology) solution on turnkey basis involving supply of IT infrastructure and related physical infrastructure to schools which enables schools to impart IT education and IT enabled education. We provide such infrastructure on a long term contract usually for a period of 36 to 60 months. These contracts are generally on a BOOT (“Build Own Operate and Transfer”) basis wherein all assets/infrastructure provided to school are owned and maintained by the company till the contract period and transferred at a nominal value at the end of the contract period.

A typical ICT contract involves following:

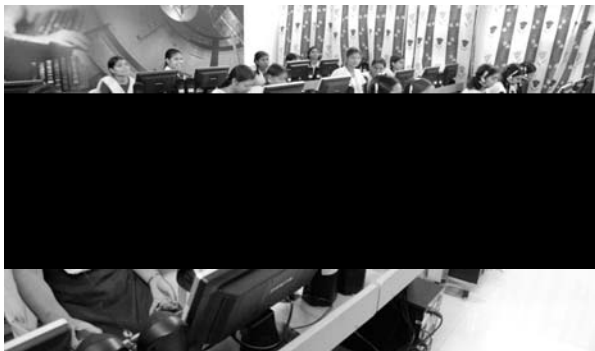
- i. Supply of IT Hardware like computers, printers, power backup systems and LCD projectors along with other physical infrastructure like furniture etc.
- ii. Maintenance of all assets for period under contract.
- iii. Providing full time faculties at schools.
- iv. Train school staff on use of IT infrastructure and software contents.

We have our sales team and channel partner network for sales of license subscription for sales of our multimedia contents and ICT solution. The sales channel partners are locally linked people generally associated with school related business. They provide a better connection with school management and our sales people helps them closing a customer by providing pre sales technical and product support.

Flow chart of a typical sale



A school computer lab implemented in a school at Obdulgunj, Bhopal



c. Multimedia Product Development

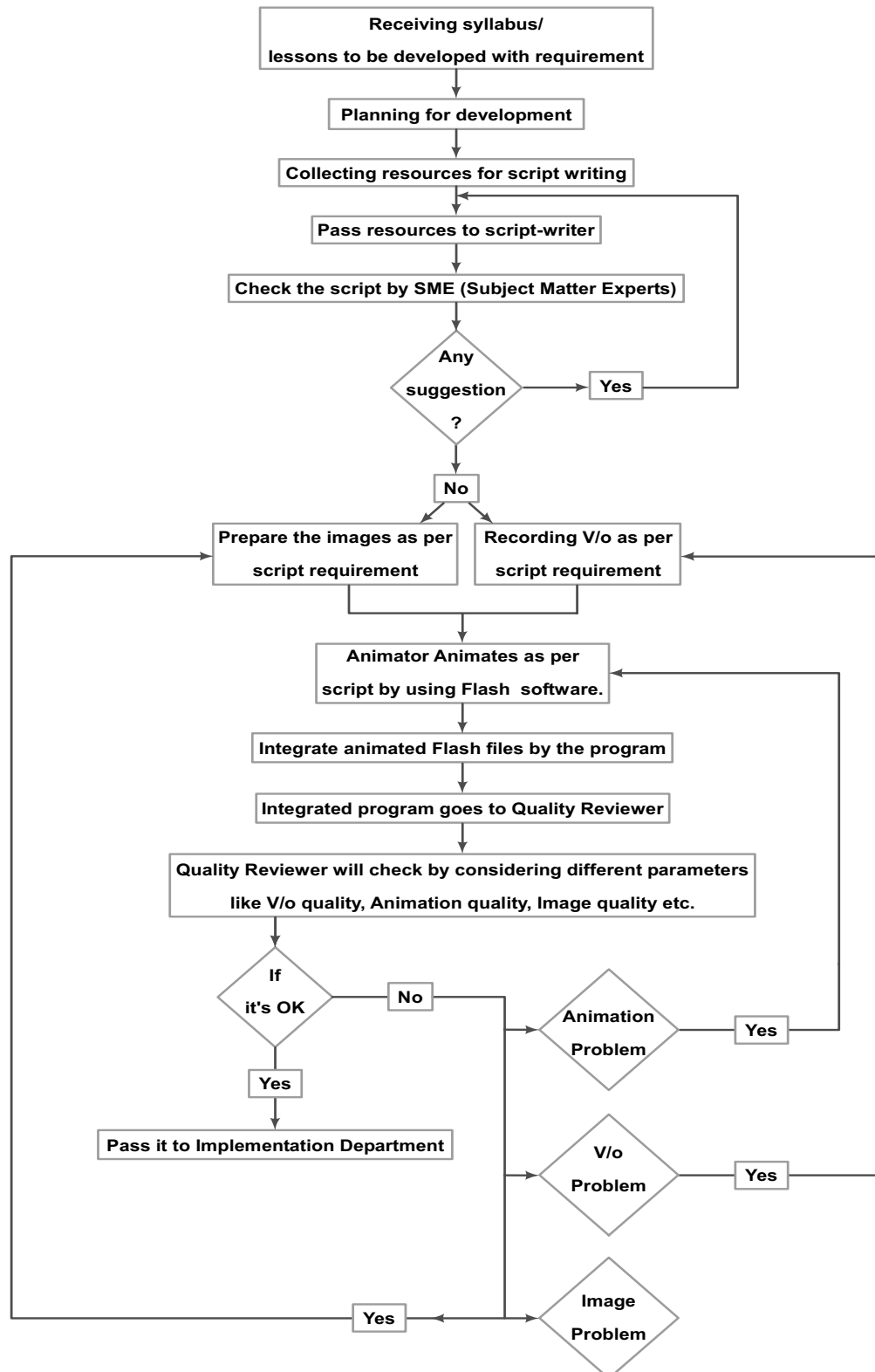
We have our own product development team consisting of script writers, animators, voice over artists and subject matter experts. We are ISO 9001:2000 Company and we follow all systems and process in our product development life cycle.

About our product XL@School:



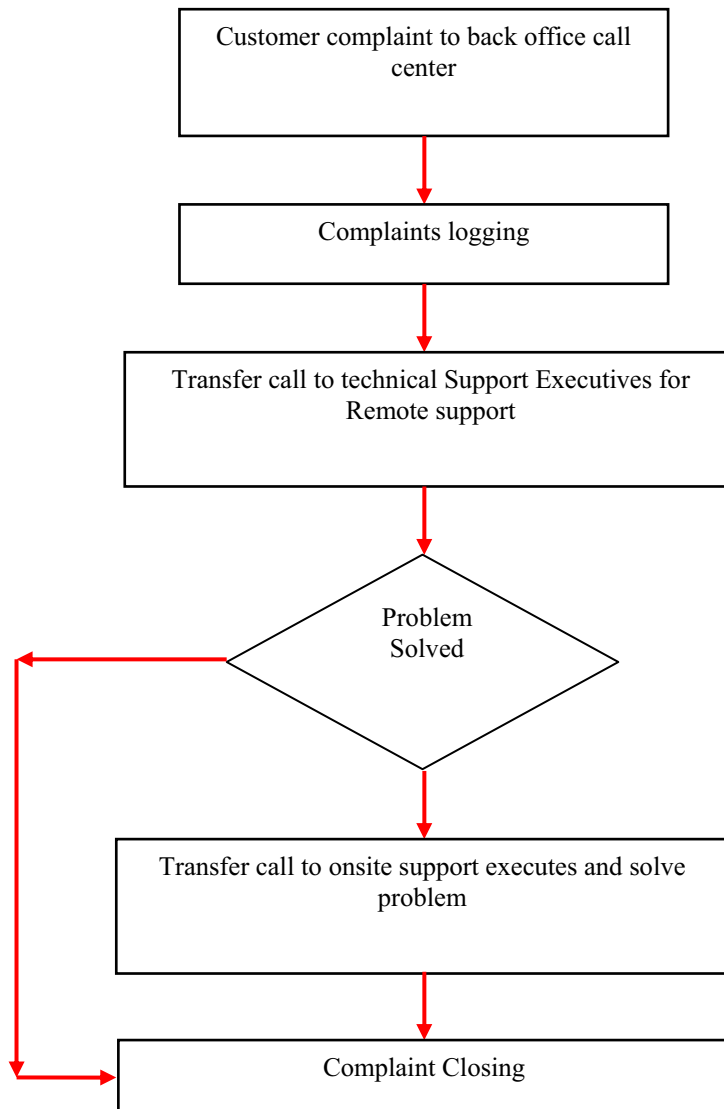
- XL@School is a multimedia based interactive learning system. It is developed based on board curriculum for various standards ranging from 1st to 10th. Currently we have contents for SSC Maharashtra, CBSE and ICSE boards.
- XL@School is developed in close co-ordination with subject matter experts and contains animated lessons, text, points to remember and interactive sessions for every chapter.
- Currently we have mathematics and science subject and development of social science and languages is in process.

Product Development process flow chart



d. Post sales customer support:

We have team of customer service executives and back office executives to serve our customers. Following is the flow chart of customer service:



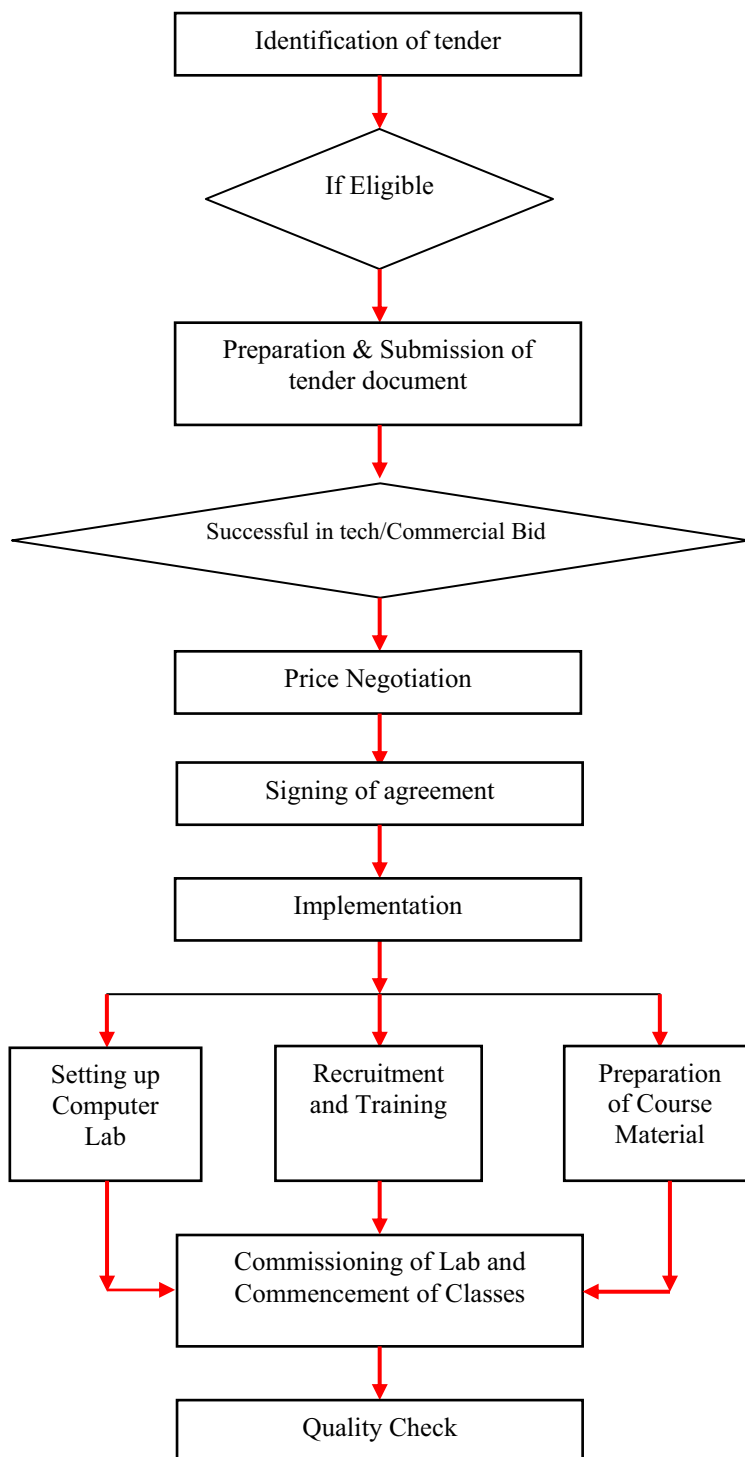
II. ICT in Government schools – Public private partnership (PPP)

New initiatives are rising across the gamut of public/private partnerships (or PPP), with ICT (Information & Communications Technology) at schools an early success story. Policy planners are beginning to emphasise PPP (see comments from the National Knowledge Commission in Section 3 of the report), and we think this could create revenue-generating models for the company. We see numerous opportunities, including:

- Relocate or build new schools, colleges, universities or job centres and provide facilities management for the new buildings/campuses. Projects might involve land swaps or enable the private sector provider to generate a third party revenue stream from the extant infrastructure.
- Build facilities for education institutions with the potential for third-party income generation, such as sports or academic/conference facilities.
- Refurbish existing assets and/or provide facilities management.
- Provide information systems that ensure the continued availability of hardware and software over a period of time, or allocate to the private sector some administrative functions. There may be opportunities for third-party income generation by selling excess capacity.

Institutions have varying requirements and the private sector may be able to offer innovative solutions that offer quality services and value for money.

Process flow for Government Tender ICT projects



We have bid in Madhya Pradesh Government ICT @School tender project which is a BOOT project, wherein the contract period is typically for five years. In this project the revenues will be given at the end of each quarter by the Government for a period of 20 quarters. We will provide a computer lab in each school and maintain it over the period of contract and will provide following assets and services:

1. IT infrastructure such as desktops and printers.
2. Civil, interior and furniture in computer labs.
3. One Faculty for each school.

III. Resale of Hardware and software products:

a. Resale of product to school: We sell various ICT products of various brands on outright basis to schools. Following are the products we usually deal in for sales to school customers:

- i. Desktop / Laptop Computer.
- ii. LCD Projector / TV.
- iii. Interactive white board.
- iv. UPS / Inverter / Generators.

b. Resale of Software products: We resell a range of software products to various Institutional and Industrial customers. These software includes:

- i. Online Examination Software
- ii. Geo Engineering Software
- iii. Data Migration Software
- iv. Accounting and inventory software
- v. Asset management software
- vi. HR management software
- vii. Share Transfer software with signature card

COMPETITION

We face stiff competition in this industry. We however have a competitive advantage of lower product pricing due to lower overheads achieved through adoption of a unique style of decentralized operational structure and localized training and employment of manpower. Due to low pricing model we can cater to a large market and reduce the effect of competition on our sales. There are a few local players with multimedia contents available with them, we compete with them with edge on product quality and post sales service. We continuously monitor and maintain our post sales service and product quality and upgrade both in quality and delivery to keep ourselves ahead in competition.

JOINT VENTURE

Our Company has entered into a joint venture agreement with Vision India Software Exports Pvt Ltd., a company incorporated under the Companies Act, 1956 having its registered office at, A-1/10 Swaroop Hsg. Society, Erandawane, Pune and its promoters Mr. Sunil Umrani and Mr. Jatin Kulkarni on 30th April 2009, to bid and execute various tender projects (“the Projects”) of Central Government of India and various State Governments in the field of Computer Education, Education through computers, and facilitate the supply of various hardware and equipments and provide hardware solutions, teacher training and various allied services of similar nature on BOO/BOOT basis or otherwise for the said projects, on terms and conditions as stated in the JV agreement.

The parties to the agreement have also agreed to enter into any other allied, ancillary and peripheral business to the main business objective.

A new Joint Venture Company (JVC) would be incorporated, that will takeover the existing business of Vision India Software Exports Pvt. Ltd., the existing business operated by Vision India. The other details of the JV agreement are:

1. Shareholding Pattern:

Unless otherwise agreed between the Parties, the shareholding pattern of the JVC shall be as follows:

Sl. No.	Name of the Shareholders	%age of Holding
1.	BSEL	51.00
2.	Vision India/ Vision India Promoters	49.00
	TOTAL	100.00

2. Composition of the Board

Unless otherwise agreed in writing between the Parties, the total strength of the Board shall be 4 (Four) directors. BSEL shall be entitled to nominate 2 Directors on the Board and VISION INDIA/VISION INDIA PROMOTERS shall be entitled to nominate 2 Directors on the board

While the strength of the Board may be increased from time to time by the mutual agreement of the Parties, it is hereby agreed that the proportion of the directors nominated by the Parties shall be maintained in the same proportion as set out above in this clause. The Parties agree to increase the number of Directors as and when required by applicable laws subject to compliance with the provisions of this Clause. BSEL and VISION INDIA/ VISION INDIA PROMOTERS shall be entitled to remove any of its nominated directors from the Board and appoint another person in place of the person so removed. The Shareholders agree to cause their nominee directors to vote for the appointment of the replacement director, as proposed by either BSEL or VISION INDIA/ VISION INDIA PROMOTER.

Mr. Yashovardhan Birla nominee of BSEL or any other person as nominated by BSEL shall be appointed as the permanent Chairman of the Board for as long as BSEL remains a Shareholder of the JVC.

3. Role and Responsibilities of the Directors

- Mr. Sunil Umrani , nominee of VISION INDIA/VISION INDIA PROMOTERS, shall be appointed as the CEO and Executive Director of the JVC and shall be entitled to receive a salary from the JVC and such other perks/benefits as decided and/or approved by the Board and the JVC.
- The Parties shall appoint other important functionaries/officials such as Chief Operating Officer and Financial Controller/Chief Financial Officer of the JVC after discussions and mutual consent of the Parties.

4. Day to Day Management

- (a) The CEO so appointed shall be in charge of the day to day management of the JVC and shall function subject to the superintendence, guidance, direction and control of the Board of Directors of the JVC.
- (b) The strategic and policy decisions of the JVC shall be taken by the Board. The business and operations of the JVC shall be run as per such decisions of the Board and the Business Plan. The CEO shall provide a written management and financial report on a monthly basis to the Board, on the operations of the JVC.
- (c) In case either Party is not satisfied with the performance of CEO, steps shall be taken to inform of the areas of deficiency or where there is scope of improvement. If, even after such opportunity is given, either party still is dissatisfied with the performance, the Parties shall agree and thereafter terminates the service of CEO after giving 3 months notice to him.

5. Roles & Responsibilities of the Parties

Role of BSEL

- a. BSEL shall be responsible for raising funds for the JVC by way of debt from bank, financial institutions or BSEL's own source as may be required for various projects to be undertaken and such debt funding shall be strictly based on the funds requirement for the projects.
- b. BSEL shall be responsible for the overall financial management and the CFO of the JVC will be nominated by BSEL.
- c. BSEL shall be responsible for devising and monitoring the overall business strategy and plan.

Role of VISION INDIA/ VISION INDIA PROMOTERS

- a. VISION INDIA shall be the Lead member of the consortium.
- b. VISION INDIA shall interact with all the Government (both Central and States) nominated departments in connection with the Project
- c. VISION INDIA shall be responsible for the completion and submission of the RFQ.
- d. VISION INDIA shall be responsible for the submission of RFP and financial bid stages
- e. VISION INDIA shall visit the designated schools allotted in the Projects and make the required assessments.
- f. VISION INDIA shall co-ordinate with the hardware vendors for supplies/commissioning of the computer labs which are required to be installed in the designated schools.
- g. VISION INDIA shall provide complete learning solutions such as Digital Contents under CALS.
- h. VISION INDIA shall be responsible for the deployment of faculties as per required norms
- i. VISION INDIA shall provide adequate training to the faculties under the Project
- j. VISION INDIA shall monitor the Academic Progression during the Project period
- k. VISION INDIA shall adhere to the deliverables under the contract
- l. VISION INDIA shall submit the MIS to the respective department periodically during the Project period
- m. VISION INDIA shall conduct the Impact Assessment of the Education program.
- n. VISION INDIA shall establish quality standards and benchmarks for the education being provided in the Projects.

6. **BUSINESS PLAN AND BUSINESS POLICY**

The Board shall propose a 3 year Business Plan in writing with milestones set for every quarter of the plan period. The Parties shall agree upon and reduce in writing the Business Plan for each Financial Year. The Business Plan shall be revised every year within 30 days prior to the beginning of a Financial Year.

The Parties shall ensure that the JVC adheres to the Business Plan at all times. Any deviation from the Business Plan shall be discussed by the Parties from time to time and the Parties shall take necessary steps to amend the Business Plan in accordance with such discussions.

It is agreed by both the Parties that in order to maintain complete transparency in the operations of the JVC and/ or the Business, all concerned officers of the JVC must present financial and/or operational reports at the same time to all the Parties.

A copy of the Joint Venture agreement is placed as a material document.

BUSINESS STRATEGY

We are known in the market for our association with the field of education from decades. Our business strategy is to keep low pricing and cater to a large available market. We will achieve our sales in mass by providing scale down solutions, quality educational contents and effective post sales service. We also offer value added services to schools to better our margins and provide them a useful and cost effective solution.

There are about 75000 private schools and about 60000 schools fall into non premium category. These non premium schools also have a huge demand for implementing ICT solutions in their schools provided we fall into the budget that these schools have. We plan to penetrate this market by giving scale down low price solution and grab major market share.

MARKETING STRATEGY

Our Company's marketing strategy is to attract higher share of the large available market by adopting a strategy of low pricing model. Our core strength lies in the in-house expertise in the development of educational content & software. The cost benefit thus achieved is passed on to the end consumer giving us a competitive edge in pricing against our peers. We endeavour to achieve higher sales by providing scale down solutions, quality educational contents and effective after sales service. We also offer value added services to school to better our margins and provide them a useful and cost effective solution.

There are about 75000 private schools of which about 60000 schools fall into non-premium category. These non-premium schools also have a huge demand for implementing ICT solutions. These schools will provide our company a good opportunity if our products & solutions could fit into their budget. We plan to penetrate into this market by giving scale down low price solution and grab major market share.

OUR COMPETITIVE STRENGTH

Our core strength lies in the in-house expertise in the development of educational content & software. The cost benefit thus achieved is passed on to the end consumer giving us a competitive edge in pricing against our peers.

PRICING MODEL

- **ICT solution:** ICT contracts are generally on BOOT Model wherein we provide all assets including hardware & software. We charge on equal monthly / Quarterly / Half yearly instalments over the period of contract and transfer assets to customers at nominal value once the contract period is over. Following are the pricing models:
 - Per school per month/quarter/half year

- Per Student per month/quarter/half year

- **XL@School software:** We sell our multimedia contents on subscription basis wherein we charge license fee for the first year of use and renewal subscription 2nd year onwards. The subscription is payable by way of Quarterly/Half yearly and yearly instalments.

No. of schools already serviced by the Company:

Sl. No.	State	No. of Schools
1.	Maharashtra	66
2.	Madhya Pradesh	5
TOTAL		71

SWOT Analysis

Strengths:

1. Over 9 years of experience in computer aided education, multimedia and ICT services in IT & e-learning industry.
2. In-house expertise in educational content & software development.
3. Strong capability to implement Information and communication technology projects.
4. Advantage of low price model as compared to competitors in the market.

Weaknesses:

1. Company is dependent on number of key personnel, and our ability to attract and retain such persons can affect the business.
2. Availability of skilled man-power especially in the marketing & sales.

Opportunities:

1. High growth industry and large market is available for information and communication technology (ICT) projects in government since current penetration is very low.
2. Continued changes in school board syllabus allow us to offer our product on license basis and generate year on year revenue. Further continued obsolescence of IT hardware allows us to continue business with same customers in the long run.
3. Good scope for sale of hardware & software products and services for schools, as more and more schools are shifting towards tech-based system of education.

Threats:

1. Increasing competition from the organised and the unorganised sector is a threat to our business. In services to school and ICT market there are few big players established and at the same time many local and small players are coming up to grab a share in the local market.
2. The industry is subject to high attrition rate.
3. The ICT market is still evolving and maturing. This would take considerable time frame to be accepted widely by the industry.
4. The IT and related infrastructure services to customer is highly dependent on technology related resources.
5. IT resources required in ICT solutions are prone to fast technology obsolescence.

INSURANCE POLICES

(Amount in Rs.)

Sl. No.	Policy No	Description	Property Insured	Expiry date	Sum Assured	Premium	Insurance Co.
1.	251300/11/09/3100000275	Standard Fire & Special Perils Policy	201 to 211, 262 to 267, Vedanta Commercial Complex, 2 nd Floor, Bldg No. S-3, Vartak Nagar, Thane (W), Maharashtra	June 6, 2010	69,77,000	2,442.00	National Insurance Co. Ltd.
2.	3001/56206597/00/000	Motor Insurance	Fiesta 1.4	February 17, 2010	3,45,859	6,992.00	ICICI Lombard
3.	3001/55221677/01/000	Motor Insurance	Hyundai - i10	October 15, 2010	3,61,309	7,411.00	ICICI Lombard

PROPERTY

Leasehold Property

Sl. No.	Lease Date	Name of the Other Party	Location	Area	Period	Consideration/ Rent Amount (Rs)
1.	8 th April, 2009	Mrs. Sonali Negi Das	Flat No. 205, 206, Building No. A/25, Happy Valley Complex, Manpada Road, Chitalsar Manpada, Thane (W) – 400 607 Maharashtra	1455 Sq. Ft.	36 Months	Deposit: 1,50,000/- Rent:- 30,000/- p.m.

The aforesaid property is used as Guest House

Freehold Property:

Sl. No.	Date of sale deed	Name of the Other party	Location	Area	Consideration Amount (Rs.)
1.	21 st May, 2004	Gentronic Leasors & Distributors Private Limited.	S-3, 2 nd Floor Vedant Commercial Complex, Pokharan Road No.1, Vartak Nagar, Thane (West) 400 606 Maharashtra	480.30 Sq. Mtrs	72,65,000
2.	3 rd December, 2004	Gentronic Leasors & Distributors Private Limited.	S-3, Store No.58 Gr. Floor Vedant Commercial Complex, Pokharan Road No.1, Vartak Nagar, Thane (West) 400 606 Maharashtra	16.72 Sq. Mtrs	4,50,000
3.	3 rd December, 2004	Gentronic Leasors & Distributors Private Limited.	S-3, Store No.59 Gr. Floor Vedant Commercial Complex, Pokharan Road No.1, Vartak Nagar,	16.72 Sq. Mtrs	4,50,000

			Thane (West) 400 606 Maharashtra		
4.	3 rd December, 2004	Gentronic Leasors & Distributors Private Limited.	S-3, Store No.60 Gr. Floor Vedant Commercial Complex, Pokharan Road No.1, Vartak Nagar, Thane (West) 400 606 Maharashtra	16.72 Sq. Mtrs	4,50,000

The aforesaid property is used as development centre & Store No. 58, 59, & 60 used as Godown.

- The company is using the premises of its Promoter Company, as its Registered & Corporate Office

Financial Indebtedness of our Company

Name of the Lender	Sanction Amount (Rs. in Lacs)	Nature of Loan	Amount outstanding as on September 30, 2009 (Rs. in Lacs)	Interest Rate	Repayment Schedule	Security
Bank Of India, Altamount Road C & P Banking Branch, Mumbai	475.00	Overdraft Limit	332.06	BOIPLR with a minimum of 12.5% p.a. with monthly rests or such other rate as maybe notified from time to time. Presently at 12%	16 Quarterly installments of Rs.29.69 lacs commencing from June 2009.	1. Demand Promissory Note for Rs.475 lacs dt 26/03/09 2. Hypothecation of Book debts and Non- Current assets. 3. Equitable mortgage by deposit of title deeds of the company's immovable properties comprising land and buildings and other structures and other fixtures and fittings situated at S-3, 2 nd Floor, Office No. 201-211 and 262-270, Vedant Commercial Complex, Thane (West)
Tata Capital Limited	4.06	Vehicle Loan	4.70	14.75% p.a.	1 Advance Installment and 59 regular installments	Hyundai I 10, SPO

Registered Trademarks

Sl. No.	Issuing Authority	Registration/ License No.	Nature of Registration/License	Date of registration
1.	Registrar of Trademarks, Mumbai	Trademark No. 1240602	For registering trademark for 'Vidyopasana'- Computer education software and interactive multimedia hearing system	22 nd October, 2005 As of the date 30 th September, 2003. Valid for 10 years.
2.	Registrar of Trademarks, Mumbai	Trademark No. 1240603-1240605	For registration of the Logo of the Company in class 9 and 16	22 nd October, 2005 As of the date 30 th September, 2003. Valid for 10 years.

KEY INDUSTRY REGULATIONS

There are no regulations specific to our industry.

OUR HISTORY AND CORPORATE STRUCTURE

History and Major Events

Our Company was incorporated as a Private Limited Company on 25th May 1992, under the name and style of Rathi Mercantile & Management Services Private Ltd and subsequently was converted into a Public Limited Company on 16th March 1994 and the name was changed to Rathi Mercantile & Management Services Limited. The name was changed again to Rathi Mercantile Industries Limited on 23rd May 1994. The Company came out with a Public Issue of 17,10,000 equity shares of Rs.10 each on 24th October 1994 and got its shares listed in Bombay, Calcutta and Ahmedabad Stock Exchanges. In June 1998, the Yash Birla Group acquired the controlling stake in the Company from the then promoters namely Mr. Shyamsunder Rathi and his associates & group companies. They had acquired 21,43,600 equity shares via Share Purchase Agreement dated 27th January, 1998 and made an open offer pursuant to SEBI Takeover Regulations 1997, to acquire further 20% of the equity capital i.e. upto 7,60,000 shares to the shareholders of Rathi Merchantile Industries Limited (erstwhile name of Birla Shloka Edutech Limited).

The Open Offer was kept open from 22nd June to 21st July, 1998 and was made to those members whose names appeared on the register of members as on 22nd May, 1998, at a price of Rs. 1.50 per share. All the SEBI (SAST) Regulations were complied with at the time of the Open Offer.

The company was renamed on 12th February 2002 as Shloka Infotech Limited.

The Hon'ble High Court of Judicature of Mumbai vide its Order dated June, 27th 2008 has approved the scheme of Amalgamation entered into by the company under section 391 and 394 of the Companies Act, 1956 with six companies namely Shloka Academy Private Limited, Shloka Finance Consultancy Private Limited, Shloka Graphics Private Limited, Shloka Peripheral Private Limited, Shloka Publications Private Limited and Shloka Software Private Limited. As per this order 22,00,000 numbers of shares were issued to the shareholders of these companies in the ratio stated below:

Sr. No	No. of equity shares of Rs. 10 each in Birla Shloka Edutech Ltd.	In exchange of no. of equity shares	In Transfer Co.
a.	17	10	Shloka Academy Pvt.Ltd.
b.	33	10	Shloka Fin Con Pvt Ltd
c.	2	10	Shloka Graphics Pvt Ltd
d.	2	10	Shloka Peripheral Pvt. Ltd
e.	2	10	Shloka Publication Pvt. Ltd.
f.	2	10	Shloka Software Pvt. Ltd

Our Company changed the name once again to Birla Shloka Edutech Limited on 26th December 2008.

Changes in Registered Office of our Company:

Date	From	To
1 st June, 1993	12, Champa Gali, X Lane, 3 rd Floor, M.J. Building, Mumbai - 400 002	1 st Floor, Chandra Mahal, 241, Princess Street, Mumbai- 400 002
1 st April, 1994	1 st Floor, Chandra Mahal, 241, Princess Street, Mumbai - 400 002	Chemox House, Ground Floor, 7, Barrack Street, Bombay Hospital Lane, Mumbai - 400 020
15 th January, 1995	Chemox House, Ground Floor, 7, Barrack Street, Bombay Hospital Lane, Mumbai - 400 020	320, Umrigar Building, Above Badshah Cold Drink House, Crawford Market, Mumbai - 400 003
15 th November, 1997	320, Umrigar Building, Above Badshah Cold Drink House, Crawford Market, Mumbai - 400 003	Ground Floor, Queens Mansion, Prescot Road, Fort, Mumbai - 400 001
31 st July, 2003	Ground Floor, Queens Mansion, Prescot Road, Fort, Mumbai - 400 001	Industry House, 159, Churchgate Reclamation, Mumbai - 400 020

Major events in the History of Our Company:

Date	Events
25 th May 1992	Incorporated by Mr. Shyamsunder Rathi and his associates under the name style of M/s Rathi Mercantile & Management Services Private Limited.
24 th October 1994	Came out with an IPO for issuing equity shares at par for an aggregate amount of Rs.171 Lacs
June/ July 1998	The Yash Birla Group acquired the controlling stake in the Company from the then promoters namely Mr. Shyamsunder Rathi and his associates & group companies. They had acquired 21,43,600 equity shares via Share Purchase Agreement dated 27 th January, 1998 and made an open offer pursuant to SEBI Takeover Regulations 1997, to acquire further 20% of the equity capital i.e. upto 7,60,000 shares to the shareholders of Rathi Merchantile Industries Limited (erstwhile name of Birla Shloka Edutech Limited). The Open Offer was kept open from 22 nd June to 21 st July, 1998 and was made to those members whose names appeared on the register of members as on 22 nd May, 1998, at a price of Rs. 1.50 per share.
20 th September 2000	The Company diversified into the present business and accordingly inserted a new Object clause in the Memorandum of the company.
1 st June, 2002	The Company received first ICT Contract of school for the period of 4 years
14 th June 2006	The Company was awarded ISO 9001:2000 certificate
27 th June 2008	The Hon'ble High Court of Judicature of Mumbai vide its order dated June, 27 th 2008 has approved the scheme of Amalgamation entered into by the company under section 391 and 394 of the companies Act, 1956 with Shloka Academy Private Limited, Shloka Finance Consultancy Private Limited, Shloka Graphics Private Limited, Shloka Peripheral Private Limited, Shloka Publications Private Limited, Shloka Software Private Limited.
30 th April 2009	Entered into a JV agreement (51% stake for YBG) with Pune based Vision India Software Exports Pvt Ltd. to bid and execute various tender projects of Central Government of India and various State Governments in the field of Computer Education, Education through computers, and facilitate the supply of various hardware and equipments and provide hardware solutions, teacher training and various allied services of similar nature on BOO/BOOT basis.
29 th September 2009	The Company was awarded ISO9000:2008 certificate

Main Objects of our Company:

The main objects of the company are:

1. To carry on the business of imparting Education and to develop, import, export, buy, or act as consultants of Educational content programmes, Educational infrastructure, Educational technology solutions, Educational CD ROMs and development and selling of Systems and application software, computer hardware, computer peripherals, data processors and to act as providers of Infotech Services, Enterprise Solutions, Out-sourcing Services, Facility management, infotainment and E-commerce.
2. To carry on the business in India and Abroad of Manufacturers, designers, creators, dealers, importers, exporters, promoters, venture fund provides, value added resellers, contractors, of all kinds of computer hardwares, peripherals, data capturing, storage, digital cameras, videos and audio devices for multi media, modern, remote servers and data processors, processing and transmitting devices, wired and wireless communication and data processing devices, components, electronic chips and circuited boards, storage devices, communication devices, softwares, programmers, providers, internet, talenet, cabinet services for training education. Commercial entertainment, training, research, development and non commercial applications.

Amendments to our Memorandum/ Articles of Association

The amendments in our Memorandum and Articles of Association, apart from the changes in the Authorised Share Capital of the company are as follows:

Sl. No.	Changes in Memorandum/ Articles of Association of the Company	Date of General meeting
1.	• Adoption of new of Articles of Association pursuant to conversion of Company from private to public	1 st March, 1994
2.	<ul style="list-style-type: none"> • Alteration of the Memorandum of Association by insertion of the new sub-clause 2A after the existing sub-clause 2 of Clause III, Main Objects of the Company- "To carry on the business in India and Abroad of Manufacturers, designers, creators, dealers, importers, exporters, promoters, venture fund provides, value added resellers, contractors, of all kinds of computer hardwares, peripherals, data capturing, storage, digital cameras, videos and audio devices for multi media, modern, remote servers and data processors, processing and transmitting devices, wired and wireless communication and data processing devices, components, electronic chips and circuited boards, storage devices, communication devices, softwares, programmers, providers, internet, talenet, cabinet services for training education. Commercial entertainment, training, research, development and non commercial applications." • Change in name of the Company from Rathi Merchantile Industries Ltd to Shloka Infotech Ltd 	28 th September, 2000
3.	• Change of name of the Company from Shloka Infotech Ltd to Birla Shloka Edutech Ltd.	29 th September, 2007
4.	<ul style="list-style-type: none"> • The following clauses were added as clause 123 after clause 122 in the Objects Clause, pursuant to the scheme of amalgamation: <ol style="list-style-type: none"> (a) "To carry on the business in India and abroad of publishers, printers, stationers, typesetters, writers, painters, designers, engravers, electroplaters, authors, 	27 th June, 2008



	<p>duplicators, copy writer, advertisers, researchers, commission agents of new paper, books, magazines, journals, statistics, publishers, photographs, computer graphics, web designers, cinematographers, cartoonists, news gatherers, literature, data and information relating to any type of business trade, industry, sports, education society, cinema, art and culture, life and non life subjects of all kinds, real estates, hotels, vehicles, apparels, fashion shows, social, cultural, tourism, entertainment activities, weather and environmental, subjects, wild life and space projects”.</p> <p>(b) “To carry on business in India and abroad of computer based graphics software of all types, cartoons, visuals, multi dimensional animations for education, business and other purpose and to deal in accessories, hardware, peripheral, storage devices, reproduction media and devices, editing dubbling, mixing equipments related to the above activities.</p> <p>(c) “To carry on the business in Indian and abroad of academic development and educations in the fields of art, commerce and science and all other fields of human interests and to promote universities, institutions, colleges, schools, residential schools, and colleges, training centers for educating and spreading awareness of literacy and human development through computers and other media and promote research and development in all branches of human interest and award doctorate, degrees, diplomas or such other titles in vogue in the academic field.”</p>	
5.	<ul style="list-style-type: none"> Alteration of the Memorandum of Association by insertion of the new sub-clause 1 of Clause III (A), Main Objects of the Company- “To carry on the business of imparting Education and to develop, import, export, buy, or act as consultants of Educational content programmes, Educational infrastructure, Educational technology solutions, Educational C D ROMs and development and selling of Systems and application software, computer hardware, computer peripherals, data processors and to act as providers of Infotech Services, Enterprise Solutions, Out-sourcing Services, Facility management, infotainment and E-commerce” Alteration of the Memorandum of Association by renumbering following clauses: <ul style="list-style-type: none"> The Existing Sub Clause 2(a) of Clause III (A), Main Object Clause renumbered as the new sub clause 2 The existing Sub Clause 123(b) and (c) of Clause III (C) .(Other Objects) shifted to clause III (B) , Objects Ancillary and Incidental to Main Objects as the new sub clause 3 and 4 The existing sub clause 7 to 123 (a) of Clause III renumbered as the new sub clause 5 to 121 The existing sub clause 1 and 2 be shifted to Clause III (C) (Other Objects) as the new sub clause 122 and 123 The existing sub clause 3 and 6 be shifted to Clause III (C) (Other Objects) as the new sub clause 124 to 127 	13 th August, 2009

Subsidiaries of the Company:

There are no subsidiaries of the Company.

Shareholders' Agreement

There is no Shareholders' Agreement existing as on date of filing this RHP.

Other Agreements

Except the Joint Venture agreement mentioned above, under 'Business Overview' and the Contracts /Agreements entered into in the ordinary course of the business carried on or intended to be carried on by our Company, our Company has not entered into any other Agreement / Contract.

Financial / Strategic Partners

Except the Joint Venture agreement with Vision India Software Exports Private Limited there is no other financial or strategic partner.

OUR MANAGEMENT

As per the Articles of Association, our Company cannot have less than three directors and more than twelve directors. Our Company functions under the control of a Board, comprising of 6 directors who sets policy guidelines and the Chief Executive officer along with other key personnel are responsible for day to day management of the company.

Name, Age, Address and Designation, Status & DIN	Date of Appointment	Qualification	Other Directorships
Mr. Yashovardhan Birla S/o Mr. Ashokvardhan Birla Age: 42 years Address: Birla House, 21 Mt. Pleasant Road, Mumbai 400006 Designation: Chairman Status : Non Executive & Non Independent DIN: 00005804	25 th May, 2009 as Additional Director. Regularised as Director in AGM held on 26/09/2009	M.Com, L.L.B	<ul style="list-style-type: none"> Asian Distributors Pvt. Ltd Birla Bombay Pvt. Ltd Birla Brothers Pvt. Ltd Birla Cements and Inds. Ltd Birla Precision Technologies Limited (Formerly Known as Birla Kennametal Ltd) Birla Power Solutions Ltd. Dagger Forst Tools Ltd. Shearson Investment & Trading Co. Pvt. Ltd. Birla Viking Travels Pvt. Ltd. Zenith Birla (India) Ltd. Birla Wellness & Healthcare Pvt. Ltd. Birla Surya Ltd. Birla Edutech Ltd. Birla Pacific Medspa Pvt. Ltd. Lakshmi Properties Ltd. Ashok Birla Apollo Hospital Pvt. Ltd. Birls Cotsyn (India) Ltd. Melstar Information Technologies Ltd.
Mr. Nidigallu Srikrishna S/o Mr. Nidigallu Seshachalam Age: 41 years Address: 701, Royal Empire, Shastri Nagar, Lokhandwala, Andheri (W), Mumbai – 400 063 Designation: Managing Director Status : Executive & Non Independent DIN:01231683	3 rd July, 2008 as a Director. Appointed as Managing Director wef 1 st June, 2009	B.E. (Engg)	<ul style="list-style-type: none"> Birla Edutech Limited
Mr. Tushar Dey S/o Mr. Sunil Dey Age: 45 years Address: 302, EMP 34, Evershine Millenium Paradise, Thakur Village, Kandivali (E), Mumbai - 400 101 Designation: Director Status: Non Executive & Non Independent DIN: 00857241	30 th March, 2009 as an Additional Director. Regularised as Director in AGM held on 26/09/2009	B.Com, ACS, BGL	<ul style="list-style-type: none"> Birla Surya Ltd. Birla Global Corporate Pvt. Ltd. Birla Accucast Ltd. Birla Kerala Vidhyashala Ltd.

Mr. Mohandas Shenoy Adige, S/o Mr. Gopal Shenoy Adige Age: 65 Years Address: 2, Pearl, Plot 163, Sector 28, Vashi, Navi Mumbai – 400 703 Designation : Director Status: Independent and Non Executive Director DIN: 00280925	25th May, 2009, appointed as Additional Director. Regularised as Director in AGM held on 26/09/2009	B.Sc (Engg)), M.Met, Diploma in Operational & Financial Mgt.	<ul style="list-style-type: none"> • Nagpur Power & Industries Ltd. • Artefact Projects Ltd. • Birla Precision Technologies Ltd. • Birla Cotsyn (India) Ltd. • AHG Metal Endustri Urunleri Ticarete Ve Sanayi, Istanbul, Turkey • Melstar Information Technologies Ltd.
Mr. Vijay Agarwal S/o Mr. Gopikishan Radhakishan Agarwal Age: 52 Years Address: 503,Jolly Bhavan, No.1, New Marine Lines, Mumbai – 400 020. Designation : Director Status: Independent and Non Executive Director DIN: 00058548	25th May, 2009, appointed as Additional Director. Regularised as Director in AGM held on 26/09/2009	FCA	<ul style="list-style-type: none"> • Themis Medicare Ltd. • Dagger Forst Tools Ltd. • Nucsoft Ltd. • Compuage Infocom Ltd. • Gujarat Themis Biosyn Ltd. • OSS Software Solutions Lab Pvt. Ltd. • Richter Themis Medicare (I) Pvt. Ltd. • Tiveni Sangam Estate Pvt. Ltd. • Sanskar Foundation (Sec. 25 Co.) • Sparc Samudaya Nirman Sahayak (Sec. 25 Co.) • DLF Pramerica Trustees Pvt. Ltd.
Mr. Anoj Menon S/o Mr. Arvind Raman Menon Age: 36 years Address: Desai & Diwanji, Lentin Chambers, Dalal Street, Fort, Mumbai – 400 001 Designation: Director Status: Independent and Non Executive Director) DIN: 01332699	25th May, 2009, appointed as Additional Director. Regularised as Director in AGM held on 26/09/2009	B.Com, LLB	<ul style="list-style-type: none"> • Melstar Information Technologies Ltd. • CC Healthcare Products Pvt. Ltd

PROFILE OF THE CHAIRMAN

Mr. Yashovardhan Birla, aged 42 years, is a Masters in Commerce and LLB. He is the Great-grandson of late Shri R.D.Birla. Mr. Yashovardhan Birla is the Chairman of our Company and the diversified Yash Birla Group for well over 19 years. He took over the reins of the group in the year 1990 at a very young age of 23 and has successfully steered the group to its present position of eminence. He has been credited with the integration of various group companies, infusing a strong sense of global vision and taking an integrated approach to the group.

DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY:

Mr. Nidigallu Srikrishna – Managing Director, is a B.E. (Engg) from SMBIT Institute of Technology, Bangalore University. At 41 years of age he has to his credit, an experience of over 15 years in Entertainment, Education and Infrastructure development. Mr. Srikrishna has successfully commissioned projects for prestigious organizations like CSAC, Anna University and Gemini Network.

Mr. Tushar Dey is a qualified Company Secretary and also holds a Bachelors degree in General Law. He has over 20 years of experience in handling Legal and Secretarial matters.

Mr. Mohandas Shenoy Adige has 40 years of cross functional experience in metal industry with exposure to various functional areas including techno-commercial areas of project management. He is a B.Sc (Engg), M.Met and Diploma in Operational & Financial Management. He is a member of Regional Council of Confederation of Indian Industry (CII), All India Management Association and Bombay Management Association (BMA). Mr. Adige retired as the Managing Director of Nagpur Power and Industries Limited.

Mr. Vijay Agarwal aged 52 years is a Practicing Chartered Accountant for the last 27 years, specialising in Corporate Advisory, Tax and Audit field.

Mr. Anoj Menon is a B.Com & LLB, working as a partner at M/s. Desai & Diwanji, Advocates & Solicitors. He is a Corporate Lawyer specializing in Mergers and Acquisitions, Private Equity Investment, Private Investment in Public Equity, Corporate Advisory, Foreign Direct Investment, Capital Markets, SEBI Laws, Drug Laws and Dispute Resolution. Mr. Menon has an experience of over 13 years in this field.

Details of the Borrowing Powers

Vide a resolution passed by the Members through Postal Ballot on 15th July, 2009 consent was accorded to the Board of Directors of our Company pursuant to Section 293(1)(d) of the Companies Act, 1956 for borrowing any sum or sums of moneys from time to time from anyone or more of the Company's bankers and/or anyone or more other persons, firms, bodies corporate or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise including external commercial borrowings/ foreign currency convertible bonds and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or stock-in-trade (including raw materials, stock in process, finished goods, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertakings of the company notwithstanding that the moneys to be borrowed, together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free Reserves, i.e. to say, Reserves not set apart for any specific purpose but, howsoever, that the total amount upto which the moneys may be borrowed by the Board and the outstanding at any time shall not exceed the sum of Rs. 50 crores (Rupees Fifty Crores Only) over and above the paid up capital of the Company and its Free Reserves, exclusive of interest.

Compensation of Whole Time Directors

There was no whole time Director in our Company till Mr. Sri Krishna was appointed as Director on 3rd July 2008. He was subsequently appointed as Managing Director wef 1st June, 2009. The terms of his appointment are as follows:

Terms and conditions of appointment of the Manager Director:

Period of appointment: 3 years i.e. 01.06.2009- 31.05.2012

Subject to the control, direction and supervision of Board of Directors and subject to the provisions of the Companies Act, 1956, the Managing Director shall manage and conduct the business of the Company according to the best of his judgement and subject to such regulations, general or special, as the Board of Directors of the Company may from time to time make.

I. Details of remuneration:

Remuneration: Salary, perquisites and all other allowances not exceeding Rs. 2,50,000/- per month.

The Company shall bear all expenses, which may be incurred on house in accordance with the Managing Director's status, including but not limited to insurance, security charges, maintenance and repair of the house and the furniture, fixtures and furnishings therein, gas, electricity and water along with all amenities, facilities and utilities.

Club Fees: Fees of Corporate/ Health Clubs (not exceeding 2 clubs)

Medical Reimbursements: Medical expenses incurred by the Managing Director for himself and his family shall be reimbursed by the Company, either directly or through Mediclaim Insurance.

Leave Travel Assistance: The Managing Director shall be eligible for Leave Travel assistance for self and family once in a year in accordance with the rules of the Company.

Valuation of perquisites: Perquisites mentioned in above shall be evaluated in accordance with the Income Tax Rules, 1961 wherever applicable, and in other cases at the actual cost to the Company.

Minimum Remuneration: Notwithstanding anything herein contained, where in any financial year, during the currency of the tenure of Mr. Nidigallu Srikrishna, as Managing Director of the Company, if the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above in accordance with Schedule XIII of the Companies Act, 1956 or any other law or enactment for the time being or from time to time in force.

II. Conveyance: Free use of Company's car for the work of the Company along with driver, insurance, petrol, cost of repairs, overhauling, maintenance and garage rent.

Communication Facilities: The Company shall bear all expenses for the Communication facilities installed at the Managing Director's residence including but not limited to Telephones (landlines/mobiles), Faxes, Computers/ Laptops, Internet Connection.

Entertainment, Travelling and other incidental expenses: The Company shall reimburse entertainment, travelling and other incidental expenses actually and properly incurred by the Managing Director as may be granted from time to time to the Top Management for the Company, in accordance with the relevant schemes.

III. Leave: The Managing Director shall be eligible for leave as per the Rules of the Company and encashment of leave at the end of tenure.

The Company's contribution to the Provident Fund, Superannuation Fund (or other benefit permissible in lieu thereof) or annuity fund will be as per the rules of the Company and the same will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity payable in accordance with the gratuity Scheme of the Company provided that it does not exceed one half month's salary for each completed year of continuous service.

Note: For the purpose of perquisites state above, family means the spouse, the dependent children and dependent parents of the appointee.

The perquisites indicated in Category- III shall not be included in computation of the ceiling on remuneration specified in Category I of this section.

Other terms:

- The terms and conditions, the remuneration, perquisites and benefits to be paid or to be provided to Mr. Nidigallu Srikrishna (including minimum remuneration) as set out in respect of appointment and /or agreement may be reviewed, revised, increased or enhanced, in accordance with relevant provisions in the companies act, 1956 and/or the rules and regulations made thereunder and/or relaxation or revision in the guidelines for managerial remuneration as may be made and/or announced by the central government from time to time.
- Either party shall terminate this agreement by giving to the order advance notice of three months, provided that the company may waive the notice by giving in cash the remuneration for three months, which the managing director would have received had he remained in office for the said three months.
- The managing director shall not as long as he continues to be managing director of the company, be liable to retire by rotation.
- If before the expiration of this agreement, the tenure of the office of the managing director is determined, then the managing director shall be entitled, subject to the provisions and limitations mentioned in section 318 of the companies Act, 1956 to compensation from the company for loss of office.
- The managing director may be removed from office for gross negligence, breach of duty or breach of trust, but no such resolution shall be passed or be effective unless the company shall have given due notice of such intimation to the managing director and after giving him an opportunity of being heard. In such event, the managing director so removed shall not be entitled to any compensation for loss of office.
- In the event of any dispute or difference at any time arising between the company and the said Mr. Nidigallu Srikrishna, in respect of this agreement or the several matters specified herein or referred to or with reference to anything arising out of or incidental thereto, such disputes or differences shall be submitted to and be decided by arbitration and conciliation act, 1996 or any act of the legislature passed in substitution thereof and for the time being in force.
- The managing director shall not, during this period, during the period of his employment and without the previous consent in writing of the board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or business and further, shall not in any manner, whether directly or indirectly use, apply or utilize his knowledge or experience for or in the interest of any such person, firm, company or body corporate as aforesaid or any such competing undertaking or business as aforesaid.
- The managing director shall not, during the continuance of his employment with the company, divulge or disclose to any person, firm, company or body corporate whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company or as to any trade secrets or secret processes of the company and the managing director shall, during his continuance of his employment hereunder also use his best endeavors to prevent any other person, firm, company or body corporate concerned from doing so.
- This agreement and the terms and conditions hereof shall be subject to the approval of the shareholders of the company.

All the Directors of the Company are Indian nationals. There are no arrangements or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of the senior management.

There is no service contracts entered into by the directors with our company for providing benefits upon termination of their employment.

Terms and Conditions of Employment of Non-Executive Directors

We have not entered into any formal arrangements with our Non-Executive Directors. There are no other payments made to them apart from their sitting fees for attending meetings of the Board or Committee and reimbursement of traveling and other incidental expenses, if any.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 49 of the Listing Agreement. There are 6 directors on our Board of which 3 i.e. 50% comprises of non-executive and independent Directors.

Sl. No.	Name of the Director	Status
1	Mr. Mohandas Shenoy Adige	Independent Non Executive – Director
2	Mr. Vijay Agarwal	Independent Non Executive – Director
3	Mr. Anoj Menon	Independent Non Executive – Director

There is no service contract between our Company and its Directors.

A. Audit Committee

Audit Committee is constituted by Board of Directors consisting of 3 directors as mentioned hereunder:

i) Composition

During the period under review, the Audit Committee has undergone reconstitution. The Audit Committee as per the provisions of Section 292A of the Companies Act, 1956 comprises of three non-executive Directors, all being independent, namely:

Name	Title	Status
Mr. Vijay Agarwal	Chairman	Independent
Mr. Mohandas Shenoy Adige	Member	Independent
Mr. Anoj Menon	Member	Independent

The Company Secretary acts as the Secretary to the Committee.

ii) Terms of Reference

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchange, read with Section 292A of the Companies Act, 1956. The Audit Committee provides directions to and reviews functions of the Audit Department. The Committee evaluates internal audit policies, plans, procedures and performance and reviews the other functions through various internal audit reports and other year-end certificates issued by the statutory auditors. Quarterly and Annual Accounts will be reviewed by the Audit Committee, prior to their presentation to the Board along with the recommendations of the Audit Committee. Besides, Audit Committee will be authorized to exercise all such powers as are required under the amended Clause 49 of the Listing Agreement.

iii) Meetings and attendance

During the 18 months period ended 30th September, 2009, the meetings were held on 30th April, 2008, 4th August, 2008, 4th September, 2008, 31st October, 2008, 30th January, 2009, 24th April, 2009, 30th June, 2009 and 29th July, 2009. All the members of the Committee were present at all the above meetings. Representatives of the Statutory Auditors were invited to be present at the Audit Committee meetings. The attendance at the meeting was as under:

Name	No. of Meetings held during the 18 months period ended 30th September, 2009	No. of meetings attended
Mr. Vijay Agarwal*	8	2
Mr. Mohandas Shenoy Adige*	8	2
Mr. Anoj Menon*	8	2

*appointed w.e.f 25th May, 2009

iv) Sitting fees paid to Directors

The Board of Directors at their meeting held on 25th May, 2009, has decided to pay a sum of Rs. 2,000/- as sitting fees to the Non-Executive Directors for attending each meeting of the Board/Committee thereof w.e.f. 25th May, 2009.

B. Shareholders / Investors Grievance Committee

The Share Transfer and Investors Grievance Committee constituted by the Board of Directors consist of 2 directors as mentioned below:

i) Composition

Name	Title	Status
Mr. Anoj Menon	Chairman	Independent
Mr. Tushar Dey	Member	Non-Executive

The Company Secretary acts as the Secretary to the Committee.

ii) Terms of Reference

The Committee inter alia, approves issue of Duplicate share certificates & reviews all matters connected with the Securities transfer. The Committee also looks into redressing of Shareholders/Investors Complaints like transfer of shares, Non receipt of Balance sheet, Non receipt of Dividend warrants & also handles the queries/ complaints relating to Dematerialization of shares etc. The committee oversees the performance of the Registrar & transfer agent & recommends measures for the overall improvement of the quality of Investors services.

iii) Meetings and attendance during the 18 months period ended 30th September, 2009

The meetings were held on 14th June, 2008, 4th August, 2008, 24th April, 2009 and 24th July, 2009. The attendance of the meeting was as follows:

Name	No. of Meetings held during the 18 month period ended 30th September, 2009	No. of meetings attended
Mr. Anoj Menon (appointed w.e.f. 25.05.09)	4	1
Mr. Tushar Dey (appointed w.e.f. 30.03.09)	4	2

The Committee oversees the performance of the Registrars and Transfer Agents and recommends measures to improve the level of investor services.

The Company has authorised Company Secretary, severally to approve the share transfers. In pursuance of the Securities and Exchange Board of Indian (Prohibition of Insider Trading) Regulations, 1992 (duly amended), the Board has approved the "Code of Conduct for Prevention of Insider Trading" and authorised the Committee to implement and monitor the various requirements as set out in the Code.

The Board has designated Ms. Jigna Parikh as the compliance officer. The total numbers of complaints received and replied to the satisfaction of the shareholders during the period under review were 11. Outstanding complaints as on 30th September, 2009, were NIL. No requests for transfer and for dematerialization were pending for approval as on 30th September, 2009.

C. Remuneration Committee

Remuneration Committee

The Remuneration Committee was constituted by our Directors at their Board meeting held on May 25, 2009. The Committee's goal is to ensure that the Company attracts and retains highly qualified employees in accordance with its business plans, that the Company fulfils its ethical and legal responsibilities to its employees, and that management compensation is appropriate.

During the period under review, the Board of Directors of the Company has constituted a Remuneration Committee.

i) Composition

The composition of the Committee is as follows:

Name	Title	Status
Mr. Mohandas Shenoy Adige*	Chairman	Independent
Mr. Vijay Agarwal*	Member	Independent

*appointed w.e.f 25th May, 2009

ii) Terms of Reference

The terms of reference of the Remuneration Committee include the following:

- To determine the remuneration, review performance and decide on variable pay of Executive Directors/ CEO
- Establishment and administration of employee compensation and benefit plans.

iii) Meetings and attendance during the 18 month period ended 30th September, 2009

The meeting of the Committee was held on 25th May, 2009 and all the members were present.

Public Issue Committee

Our Company for the purpose of giving effect to the proposed FPO has formed a Public Issue Committee on 30th June, 2009 in its Board of Directors meeting, consisting of the following:

Composition

The composition of the Committee is as follows:

Name	Title	Status
Mr. Mohandas Shenoy Adige	Chairman	Independent Director
Mr. Tushar Dey	Member	Non Independent & Non Executive Director
Mr. Anoj Menon	Member	Independent Director

The Committee is authorized on Behalf of the Board to undertake the following acts:

1. To appoint various intermediaries required for the forthcoming Public Issue including Book Running Lead Manager, Bankers to the Issue, and Registrars to the Issue, Underwriters and Syndicate Members.
2. To approve and file the DRHP & RHP with SEBI pursuant to Section 60B of the Companies Act, 1956.
3. To approve the amendments in the DRHP as advised by SEBI.
4. To decide the price band for the Follow-on Public Issue.
5. To approve and file the RHP with Registrar of Companies, Maharashtra, Mumbai pursuant to Section 60B of the Companies Act, 1956.
6. To finalise the basis of allotment and accordingly allot the shares to the successful applicants in the forthcoming Follow on Public Issue.
7. To approve and file the Prospectus with the Registrar of Companies pursuant to section 60 of Companies Act, 1956.
8. To file such other documents with SEBI, RoC, Stock Exchanges and other statutory authorities as may be required from time to time.
9. To consider and approve such other matters and do all such acts, deeds and things as may be necessary for facilitating the forthcoming Public Issue of the Company.

Meetings and attendance during the 18 month period ended 30th September, 2009

The meeting of the Committee was held on 29th July, 2009 and 31st August, 2009 and all the members were present.

Project Monitoring Committee

Our Company for the purpose of giving effect to the proposed FPO has formed a Project Monitoring Committee on 30th June, 2009 in its Board of Directors meeting, consisting of the following:

Composition

The composition of the Committee is as follows:

Name	Title	Status
Mr. Mohandas Shenoy Adige	Chairman	Independent Director
Mr. Nidigallu Srikrishna	Member	Managing Director
Mr. Anoj Menon	Member	Independent Director

The committee will be responsible to monitor the Turnkey Projects to be executed by the Company under the BOOT model and for upgradation of infrastructure and content development for XL@School. The Committee will also monitor utilization of proceeds of the follow on public issue.

INTERESTS OF DIRECTORS (OTHER THAN THE PROMOTER DIRECTORS)

Except as stated in “Related Party Transactions” on page no. 178 of this offer Document, and to the extent of shareholding in our Company, the directors do not have any other interest in the business. The directors are interested to the extent of shares allotted to them. Except to the extent of their compensation as mentioned on page no. 78 of this Offer Document, and their shareholding or shareholding of companies they represent, the Directors, other than the Promoters who are also Directors, do not have any other interest in our Company.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold Directorships or any partnership firm in which they are partners as declared in their respective declarations.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the DRHP in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

The Articles of Association provide that the Directors and officers shall be indemnified by our Company against loss in defending any proceeding brought against Directors and officers in their capacity as such, if the indemnified Director or officer receives judgment in his favour or is acquitted in such proceeding.

Statement Showing Shares held by the Directors

Sl. No.	Name of the Director	Number of Shares held
1	Mr. Yashovardhan Birla	11,200

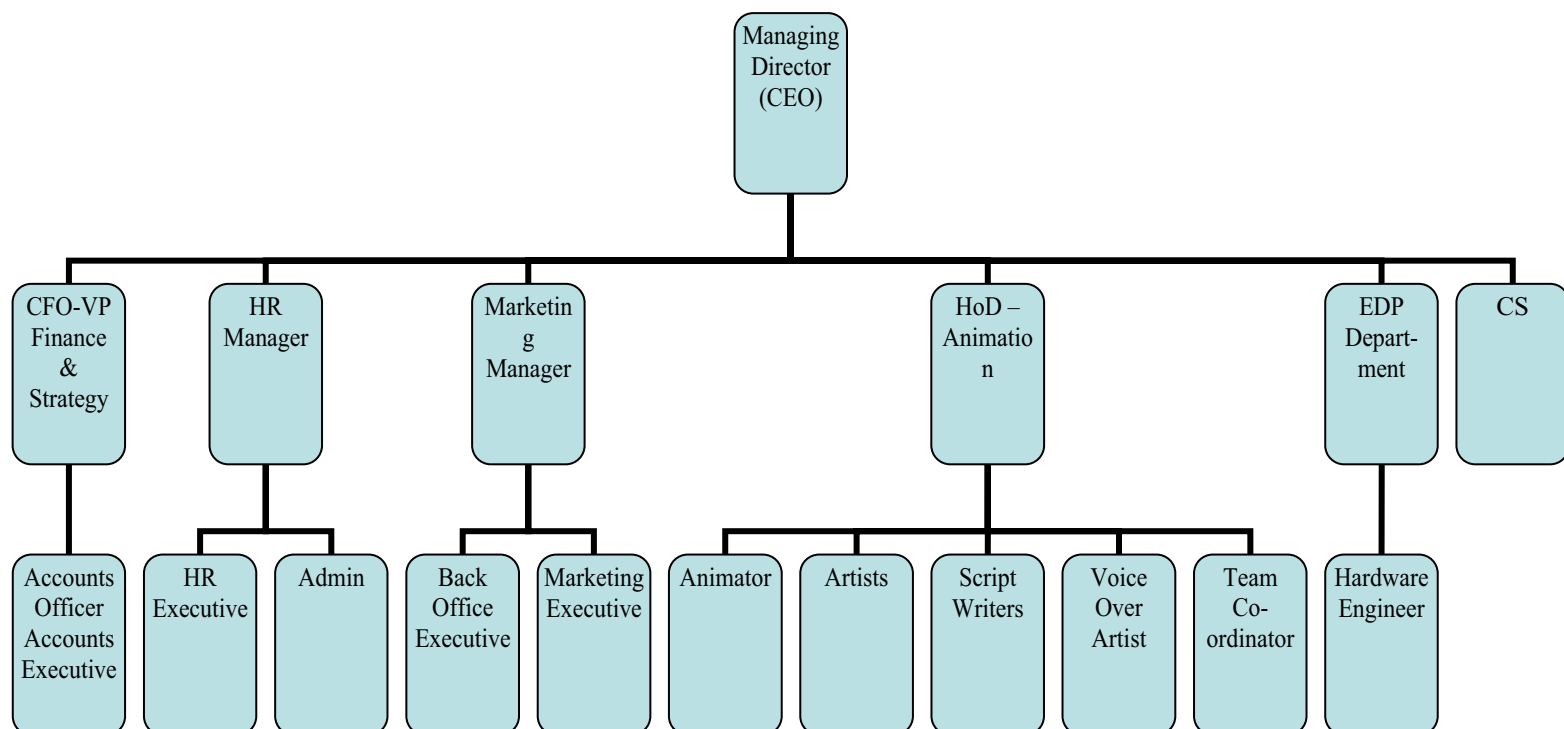
Changes in the Board of Directors in the last 3 years

The following are the changes in the Board of Directors in the last 3 years:

Sl. No.	Name	Designation	Date of appointment	Date of cessation	Remarks
1.	Mr. K.P. Chokani	Director	24/08/1998	25/05/2009	Resigned on account of personal reasons
2.	Mr. Shishir Dalal	Director	29/12/2005	03/07/2008	Resigned on account of Personal reasons
3.	Mr. Manish Malani	Director	31/07/ 2006	3/07/2007	Appointed as Additional Director, regularized as Director on 23/09/2006
4.	Mr. Ashutosh Malpani	Additional Director	23/03/2007	23/07/2007	Resigned on account of Personal reasons
5.	Mr. Anuj Batra	Director	31/07/2007	30/03/2009	Appointed as Additional Director, regularized as Director on 29/09/2007
6.	Mr. Nidigallu Sri Krishna	Director	03/07/2008		Appointed as Additional Director, regularized as Director on 30/09/2008
7.	Mr. Tushar Dey	Director	30/03/2009		Appointed as Additional Director, regularized as Director on 26/09/2009
8.	Mr.Yashovardhan Birla	Director	25/05/2009		Appointed as Additional Director, regularized as Director on 26/09/2009

9.	Mr. Mohandas Shenoy Adige	Director	25/05/2009		Appointed as Additional Director, regularized as Director on 26/09/2009
10.	Mr. Vijay Agarwal	Director	25/05/2009		Appointed as Additional Director, regularized as Director on 26/09/2009
11.	Mr. Anoj Menon	Director	25/05/2009		Appointed as Additional Director, regularized as Director on 26/09/2009

ORGANISATION CHART



KEY MANAGEMENT PERSONNEL:

Sl. No	Name, Designation, Age	Qualification	Experience (Years)	Date of Joining	Functional Responsibility	Previous Employment
1	Mr. Nidigallu Srikrishna Managing Director Age: 41 yrs	BE	15	2 nd July 2008	Managing Director	Enmasse Consultancies Private Limited
2	Mr. Karthik Iyer Manager – Finance & Accounts Age: 31yrs	BCom, ACA	7	21 st September 2009	Finance & Accounts	Intercontinental The Lalit Mumbai
3	Mr. Pramod Gaunkar HOD- Animation Age: 38 yrs	BFA	12	18 th December 2008	Product Development	Radiant Studio
4	Mr. Ravindra Indulkar Manager-Infotech Age: 37 yrs	BCom	22	21 st December 2007	Marketing	Presidency School
5.	Mr. Neelesh Kadam Account Officer Age: 37yrs	BCom	12	10 th January 2008	Accounts	Nexus Multi commodity Pvt. Ltd.
6	Ms. Anne Philip Manager-HR Age: 29 yrs	B.Sc, MBA(HR)	7	10 th November 2008	HR	Gourmet Italian Food Co. Pvt. Ltd.
7.	Ms. Archana Tambe Senior Officer-Admin Age:29yrs	MA	6	16 th March 2004	Product Development	Delta Service Ltd.
8	Ms. Shilpa Naik Team Co-ordinator Age: 28 yrs	BCom	6	11 th November 2002	Product Development	-
9	Ms. Jigna Parikh Company Secretary Age: 27 yrs	BCom, ACS & LLB	Fresher	6 th April, 2009	Company Secretary	-

Brief Profile of the Key Management Personnel:

- **Mr. Nidigallu Srikrishna**, 41, Managing Director of Birla Shloka Edutech Limited, is a B.E. (Engg.) from Bangalore University. He has got more than 15 years of experience in Real Estate, Infrastructure Development, Entertainment & Education. And have successfully commissioned projects for prestigious organization like CSAC, Anna University and Gemini Net Network. He was previously employed with Enmasse Consultancies Private Limited.
- **Mr. Karthik Iyer**, **Manager** – Finance & Accounts is an ACA. He has got 7 years of experience. He joined Birla Shloka Edutech Ltd in September 2009. He was previously employed with Intercontinental The Lalit Mumbai
- **Mr. Pramod Gaunkar**, 38, HOD – Animation, is a BFA from Goa University. He joined Birla Shloka Edutech Limited in December 2008. He was previously employed with Radiant Studio.
- **Mr. Ravindra Indulkar**, 37, Manager – Infotech, is a graduate from Mumbai University. He has got more than 15 years of experience in marketing for schools & colleges IT programs. He joined Birla Shloka Edutech Limited in December 2007. He was previously employed with Presidency School.
- **Mr. Neelesh Kadam**, 37, Account Officer, is a graduate from Mumbai University. He joined Birla Shloka Edutech Limited in January 2008. He was previously employed with Nexus Multi commodity Pvt. Ltd.
- **Ms. Anne Philip**, 29, Manager – HR, is B.Sc. MBA – HR from Sinhgad Institute of Management in 2002. She joined Birla Shloka Edutech Limited in November 2008. She was previously employed Gourmet Italian Food Co. Pvt. Ltd

- **Ms. Archana Tambe**, 29, Senior Officer – Admin, is MA from Mumbai University. She joined Birla Shloka Edutech Limited in March 2004. She was previously employed with Delta Service Ltd.
- **Ms. Shilpa Naik**, 28, Team coordinator, is a graduate from Mumbai University. She joined Birla Shloka Edutech Limited in November 2002.
- **Ms. Jigna Parikh**, 27, Company Secretary, ACS, LLB. She joined Birla Shloka Edutech Limited in April 2009.

All the key managerial personnel mentioned above are the permanent employees of our Company.

Shareholding of Key Managerial Personnel: NIL

Bonus or Profit Sharing Plan for the Key Managerial Personnel: NIL

Changes in the Key Managerial Personnel in the last three years:

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation	Remarks
1.	Ms.Bela Mandelia	Project Co ordinator	26/06/2002	31/08/2007	Resigned on account of Personal reasons
2.	Mr. Mohan Kumar Kasat	Sr. Vice President (Commercial)	06/11/2003	06/02/2008	Resigned on account of Personal reasons
3.	Mr. N.K.Krishnanand	Vice President (Circulations)	06/11/2003	16/08/2007	Resigned on account of Personal reasons
4.	Ms.Sonal Malani	Finance Controller	06/11/2003	03/09/2007	Resigned on account of Personal reasons
5.	Mr. Ashish Malani	Sr.VP(Business development)	05/12/2005	30/06/2007	Resigned on account of Personal reasons
6.	Mr. Anuj Batra	CEO	01/07/2007	30/03/2009	Resigned on account of Personal reasons
7.	Ms. Ritu Malpani	Head-Business Development	01/08/2007	28/07/2008	Resigned on account of Personal reasons
8.	Mr.Vijay Kumar Malik	Senior Vice President - Infotech	03/12/2007	31/10/2008	Resigned on account of Personal reasons
9.	Mr. Ravindra Indulkar	Manager – Infotech	21/12/2007		Fresh appointment
10.	Mr. Neelesh Kadam	Accounts Officer	10/01/2008		Fresh appointment
11.	Mr. Nidigallu Srikrishna	CEO/ Managing Director	02/07/2008		Fresh appointment
12.	Mr. Prashant C. Surve	Company Secretary	04/08/2008	24/04/2009	Resigned on account of Personal reasons
13.	Mr. Sushil Singhanian	GM-Finance	01/09/2008	31/12/2008	Resigned on account of Personal reasons
14.	Ms. Anne Philip	Manager – HR	10/11/2008		Fresh appointment
15.	Mr. Pramod Gaunkar	HoD - Animation	18/12/2008		Fresh appointment
16.	Mr. Kedarprasad Lathkar	CFO/ VP - Finance & Strategy	01/04/2009	31/10/2009	Resigned on account of Personal reasons
17.	Ms. Jigna Parikh	Company Secretary	24/04/2009		Fresh appointment
18.	Mr. Karthik Iyer	Manager – Finance & Accounts	21/09/2009		Fresh Appointment

EMPLOYEES:

The present strength of employees of our Company is 60 which are divided in three categories as mentioned below:

1. Top/Senior Management – 1
2. Middle Management – 8
3. Junior Management – 51

ESOP/ESPS scheme to employees

Presently, we do not have ESOP/ESPS scheme for employees.

Payment or Benefit to Officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two preceding years from the date of filing of this RHP or is intended to be paid, other than in the ordinary course of their employment.

Interest of Key Managerial Personnel


Our key managerial personnel do not hold any Equity Shares. The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and incentive payable as per policies. None of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

OUR PROMOTERS

Our company has been promoted by Mr. Yashovardhan Birla along with the following companies of Yash Birla Group:

- a) Nirved Traders Private Limited
- b) Shearson Investment & Trading Company Private Limited
- c) Godavari Corporation Private Limited
- d) Asian Distributors Private Limited
- e) Birla Capital and Financial Services Limited (Previously known as Birla Leasing and Infrastructure Ltd)

Details of Promoters Being Individuals:

	Name	Yashovardhan Birla
	Designation	Chairman
	Qualification	M.Com; LLB
	Nationality	Indian
	PAN	AAJPB2505N
	Voter ID Number	-
	Driving License Number	-
	Passport Number	F3355431

Mr. Yashovardhan Birla, aged 42 years, is a Masters in Commerce and LLB. He is the Great-grandson of late Shri R.D.Birla. Mr. Yashovardhan Birla is the Chairman of our Company and the diversified Yash Birla Group for well over 19 years. He took over the reins of the group in the year 1990 at a very young age of 23 and has successfully steered the group to its present position of eminence. Under the guidance of Mr. Birla, the Group is striving to build on and contribute to the expansion of formidable Birla Conglomerate through identifying and exploiting various business opportunities.

Other confirmations

The Permanent Account Number, Bank Account details and Passport Number of our Promoters have been submitted to Bombay Stock Exchange Limited (BSE), Calcutta Stock Exchange (CSE) and Ahmedabad Stock Exchange (ASE) on which our Company proposes to list its Equity Shares at the time of filing of the Draft Red Herring Prospectus.

Our Promoters, Promoter Group and Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, our Promoters have not been identified as a wilful defaulter by RBI or any other Government authority and there are no violations of securities laws committed by the Promoters in the past or any such proceedings are pending against the Promoters.

Relatives of the Promoter that form part of the Promoter Group are as under:

Promoter	Name of Relative	Relationship
Mr. Yashovardhan Birla	Mrs. Avanti Birla	Wife
	Late Shri Ashokvardhan Birla	Father
	Late Smt. Sunanda Birla	Mother
	Kum Shloka Sujata Birla	Daughter
	Master Vedant Vardhan Birla	Son
	Master Nirvaan Birla	Son
	Late Smt. Sujata Birla	Sister

DETAILS OF PROMOTER COMPANIES:

A) BIRLA CAPITAL AND FINANCIAL SERVICES LIMITED (BCFSL) (FORMERLY BIRLA LEASING & INFRASTRUCTURE LIMITED)

Date of Incorporation	The company was originally incorporated in the name of Dhanam Trades and Agencies Limited on 7 th May, 1985 under The Companies Act, 1956 in the state of Maharashtra. The name of the company was changed to Dolphin International Limited with effect from 27 th December, 1995. The name was further changed to Birla Capital & Financial Services Limited with effect from 3 rd December, 2001. The name of the company further changed to Birla Leasing and Infrastructure Limited with effect from 30 th June, 2006. The name of the company was subsequently changed again to Birla Capital and Financial Services Ltd with effect from July 11, 2008
CIN	L51900MH1985PLC036156
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
NBFC Reg No.	N – 13.01396
PAN	AAACB2695M
Nature of Business	The company is NBFC and is carrying on business of Hire purchase & leasing. The Company is also into the business of advancing loans, inter-corporate deposits & investments.

Promoters:

- Mr. Yashovardhan Birla
- Mr. A.K. Singhi
- Mr. G.L. Lath
- Mr. K.P. Chokhani
- Mr. Purshottam Sharma
- Mr. Rajendra Prasad Todi
- Birla Bombay Pvt. Ltd
- Shearson Investment Trading Company Pvt. Ltd.
- Nirved Traders Pvt. Ltd.
- Godavari Corporation Pvt. Ltd.
- Asian Distributors Pvt. Ltd.

Board of Directors as on 30th September, 2009

Sl. No	Name	Designation
1	Mr. Arun Singhi	Executive Director
2	Mr. G.L. Lath.	Director
3	Mr. B. L. Varma	Director
4	Mr. Ashok Parmar	Independent Director

Shareholding Pattern as on 30th Septmeber, 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	9	834,200	801,200	2.14	2.14	-	-
Bodies Corporate	7	26,504,300	19,004,300	67.86	67.86	8,150,000	30.75
Sub Total	16	27,338,500	19,805,500	69.99	69.99	8,150,000	29.81
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	16	27,338,500	19,805,500	69.99	69.99	8,150,000	29.81
(B) Public Shareholding							
(1) Institutions							
(2) Non-Institutions							
Bodies Corporate	189	1,502,353	1,502,353	3.85	3.85	-	-
Individuals						-	-
Individual shareholders holding nominal share capital up to Rs. 1 lakh	6,061	7,765,565	7,743,565	19.88	19.88	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	15	2,296,236	1,576,236	5.88	5.88	-	-
Any Others (Specify)	54	157,346	157,346	0.40	0.40	-	-
Clearing Members	26	53,217	53,217	0.14	0.14	-	-
Non Resident Indians	28	104,129	104,129	0.27	0.27	-	-
Sub Total	6,319	11,721,500	10,979,500	30.01	30.01	-	-
Total Public shareholding (B)	6,319	11,721,500	10,979,500	30.01	30.01	-	-
Total (A)+(B)	6,335	39,060,000	30,785,000	100.00	100.00	8,150,000	20.87
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	6,335	39,060,000	30,785,000	-	100.00	8,150,000	20.87

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchange.

Brief Audited Financial Performance:

(Rs. In lacs)

Particulars	Year ended 31.03.09	Year ended 31.03.08	*For 18Months Ended) 31.03.2007
Share Capital (FV Rs.2/-)	781.20	781.20	781.20
Reserves (Excluding Revaluation Reserve)	133.36	136.79	123.63
Net Worth	914.56	917.99	904.83
Total Income	43.38	50.78	72.71
PAT	(3.44)	13.17	42.39
EPS (Per Share) (Rs.)	(0.01)	0.03	0.11
NAV Per Share (Rs.)	2.34	2.35	2.32

*The financial year of the company has been changed from September to March.

Details of Listing

Year of Initial Listing	Information not available as the Company was taken over by the Yash Birla Group in February 1997. The equity shares were already listed on BSE at the time of takeover.
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange
Details of offering in last 5 Years	None .
Date of opening and closing of Issue	N.A.
Date of Allotment	N.A.
Date of Listing	N.A.
Listing Code	512332

The stock market data of the company at BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Traded Shares	Total Turnover (Rs in Lacs)
June 2009	6.09	3.55	647512	31.43
July 2009	4.60	3.37	317749	12.22
August 2009	4.21	3.30	325258	12.32
September 2009	4.44	3.80	628105	25.90
October 2009	4.17	3.51	501004	19.33
November 2009	5.92	3.83	720734	35.43

(Source : www.bseindia.com)

Other Details:

Public or rights Issue in the preceding three years	No
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	No

There are no defaults in meeting any statutory/bank/institutional dues except details given in Legal and Other Information's. No proceedings have been initiated for economic offences against the Company.

B) NIRVED TRADERS PRIVATE LIMITED

Date of Incorporation	The company was originally incorporated in the name of Nirved Traders Private Limited (Nirved) on 25 th October, 1994 under the Companies Act, 1956 in the state of Maharashtra.
CIN	U51900MH1994PTC082365
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
NBFC Registration No.	B -13.01563
Permanent Account Number	AAACN 3387L
Nature of Business	At present the company is operating as NBFC and engaged in the business of dealing in shares & securities.

Nirved is 100% subsidiary of Birla International Private Limited.

Promoter:

M/s Birla International Private Limited.

Board of Directors as on 30th September, 2009

Sl. No	Name	Designation
1	Mr. G. L. Lath	Director
2	Mr. Arun Singhi	Director
3	Mr. Nikhil Agarwal	Director

Shareholding Pattern as on 30th September 2009:

Sl. No	Name of shareholders	Number of Equity Shares	% of holding
1	M/s Birla International Pvt. Ltd	2,49,700	99.88*
2	Mr. G.L. Lath & M/s Birla International Pvt. Ltd	100	0.04
3	Mr. Arun Singhi & M/s Birla International Pvt. Ltd	100	0.04
4	Mr. K.P. Chokhani & M/s Birla International Pvt. Ltd	100	0.04
	Total	2,50,000	100.00

*Note – Details of M/s. Birla International Pvt. Ltd. has been disclosed under the head “Financial Information on Group Companies” beginning on page no. 106

The brief audited financials are given below:

Particulars for the year ended	(Rs. in Lacs)		
	31 st March 2009	31 st March 2008 (18 months)	30 th September 2006 (18 months)
Equity Share Capital	25.00	25.00	25.00
Reserves & Surplus (excluding revaluation reserve)	3140.17	3210.32	2608.12
Net Worth (Rs)	3165.17	3235.32	2633.12
Total Income	1198.92	2938.51	510.13
Profit / Loss After Tax	(130.03)	291.42	78.57
EPS of FV Rs. 10/- each (Rs.)	-ve	116.57	31.43
NAV per share of FV Rs. 10/- each (Rs.)	1266.07	1294.13	1053.25

The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Company.

C) SHEARSON INVESTMENT & TRADING COMPANY PRIVATE LIMITED

Date of Incorporation	The company was originally incorporated in the name of Shearson Investment & Trading Co. Pvt. Ltd. on 10 th October, 1989 under the Companies Act, 1956 in the state of Maharashtra.
CIN	U67120MH1989PTC054227
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
NBFC Registration No.	B.13.01742
Permanent Account Number	AABCS4653H
Nature of Business	The company is NBFC and at present engaged in the business of Financier and dealing in shares & securities.

Promoters

- Mr. Yashovardhan Birla.
- M/s Godavari Corporation Pvt. Ltd.

Board of Directors as on 30th September, 2009

Sl. No	Name	Designation
1	Mr. Yashovardhan Birla	Director
2	Mr. Arun Singhi	Director
3	Mr. G.L. Lath	Director
4	Mr. R.P. Todi	Director

Shareholding Pattern as on 30th September, 2009

Sl. No	Name of shareholders	Number of Equity Shares	% of holding
1	Mr. Yashovardhan Birla	7,335	55.01
2	M/s Godavari Corporation Pvt. Ltd	5,892	44.18
3	M/s Birla Global Corporation Limited	42	0.31
4	M/s Birla International Ltd.	66	0.49
	Total	13,335	100.00

The brief audited financials are given below:

Particulars for the year ended	(Rs in Lacs)		
	31.3.2009	31.3.2008	31.3.2007
Equity Share Capital	1.33	1.33	1.33
Reserves & Surplus (Excluding Revaluation Reserve)	14608.06	6351.00	6430.23
Net Worth	14609.39	6352.33	6431.56
Total Income	1018.58	2340.87	228.95
Profit / (Loss) After Tax	156.69	909.91	44.31
EPS of FV Rs. 10/- each (Rs.)	1205.30	6823.47	332.29
NAV per share of FV Rs. 10/- each (Rs.)	112379.92	47636.52	48230.67

Note: PAT for the year ended 31st March 2008 includes profit on sale of investments of Rs.1547.22 lacs and PAT for the year ended 31st March 2009 includes profit on sale of land of Rs. 18.61 Lacs.
The company is not a listed Company.

The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

Note on Amalgamation of the Promoter Companies

Opus Investment and Trading Company Private Limited, Hallmark Leasors and Distributors Private Limited and Capricorn Leasors and Distributors Private Limited being group companies were merged with Shearson Investment and Trading Company Private Limited. Shearson Investment & Trading Company Private Limited had filed the applications for the amalgamation on 15th September, 2005 and had filed petition under section 394 of The Companies Act, 1956 for sanctioning the scheme of amalgamation. The Honorable High Court, Mumbai on January 20, 2006, approved the scheme of amalgamation.

D) GODAVARI CORPORATION PRIVATE LIMITED

Date of Incorporation	The Company was originally incorporated in the name of Godavari Corporation Ltd. on 13 th February, 1946 under the Indore Companies Act. VII of 1940, in the state of Madhya Pradesh. The Company's registered office has been changed from the state of Madhya Pradesh to the state of Maharashtra with effect from 25 th March, 1980. The name of the company was changed to Godavari Corporation Pvt. Ltd. with effect from 21 st September, 2004.
CIN	U51900MH1946PTC022398
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
NBFC Registration No.	13.00509
Permanent Account Number	AAACG1850D
Nature of Business	The company is NBFC and at present engaged in the business of dealing and trading in shares and securities. The company has also commissioned a wind mill at Karad, Maharashtra which is generating electrical power and transmitting/ distributing the same through the MSEB.

Promoters:

- M/s Shearson Investment & Trading Co. Pvt. Ltd.
- M/s Nirved Traders Pvt. Ltd.
- Yash Society.

Board of Directors as on 30th September, 2009

Sl. No	Name	Designation
1	Ms. Avanti Birla	Director
2	Mr. R.S. Malani	Director
3	Mr. Arun Singhi	Director
4	Mr. G.L.Lath	Director

Shareholding Pattern as on 30th September, 2009

Sl. No.	Name of the Shareholder	No. of Shares Held	% of Holding
1	Yash Society	14795	34.96
2	M/s. Shearson Investment & Trading Co. Pvt. Ltd.	16600	39.23
3	M/s. Nirved Trader Pvt. Ltd.	5645	13.34
4	Mr. Yashovardhan Birla	2572	6.08
5	Mr. Yashovardhan Birla & Ms. Avanti Birla C/o Birla Industries Group Charity Trust	1800	4.25
6	Yashovardhan Birla HUF	900	2.13
7	Mr. Arun Singhi	1	0.00
8	Ms. Kusum Singhi	1	0.00
	Total	42314	100.00

Note: Zero percentage OCPS (Face value of Rs. 100/- each aggregating to Rs.10.90 lacs, issued at the time of Amalgamation of Schimtiar) is pending for redemption.

The brief audited financials are given below:

(Rs in Lacs)

Particulars	31.03.2009	6 months ended March 2008	18 months ended Sep 2007
Equity Share Capital (FV Rs.100/-)	42.31	42.31	42.31
Reserves & Surplus	5551.09	5523.76	5775.46
Net Worth (Rs)	5593.40	5566.07	5817.77
Total Income	407.55	285.45	1032.38
Profit / Loss After Tax	(36.67)	(251.69)	354.53
EPS of FV Rs. 100/- each (Rs.)	-ve	-ve	837.85
NAV per share of FV Rs. 100/- each (Rs.)	13317.62	13154.20	13649.05

Note: The total income for the year 2007 includes profit on sale of investment Rs. 624.51 lacs.

- The company is not a listed Company.
- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues. There is one case of Sales Tax amounting to Rs 4.26 Lacs, where dispute is pending with Sales Tax Office, Maharashtra..

E) ASIAN DISTRIBUTORS PRIVATE LIMITED

Date of Incorporation	The company was originally incorporated in the name of Rajputana Investment Company Limited on 24 th December, 1942 under The Companies Act, 1956 in the state of Rajasthan. The name of the company was changed to East-West Import & Export Limited with effect from 3 rd February, 1962. The name was further changed to Asian Distributors Limited with effect from 2 nd December, 1968. The Company's registered office has been changed from the state of Rajasthan to the state of Maharashtra with effect from 10 th February, 1969. The name of the company was subsequently changed again to Asian Distributors Private Limited with effect from 14 th February, 2006
CIN	U65990MH1962PTC014209
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
NBFC Registration No.	13.00299
Permanent Account Number	AAACA5013E
Nature of Business	The company is NBFC and at present engaged in the business of investment activities.

Promoters

- M/s Padmavati Investment Ltd.*
- Sushila Birla Memorial Institute.
- Yash Society.

* M/s Indore Exporting & Importing Co. Ltd. has been amalgamated with M/s Padmavati Investment Ltd as per the Order of Hon'ble High Court at Kolkata dated 18th May, 2006

Names of the Promoters of Padmavati Investment are:

- B.K. Birla Foundation
- Ms. Jayshree Mohta
- Jay Shree Tea & Industries Ltd.
- Aditya Marketing & Manufacturing Ltd.
- Bharat Arogya & Gyan Mandir
- Birla Group Holding Private Ltd.
- Manav Investment & Trading Co. Ltd.

Board of Directors as on 30th September, 2009

Sl. No	Name	Designation
1	Mr. Yashovardhan Birla	Director
2	Ms. Avanti Birla	Director
3	Ms Kusum Singhi	Director
4	Mr. G.L.Lath	Director

Shareholding Pattern as on 30th September 2009

Sl. No.	Name of shareholders	Number of Equity Shares	% of holding
1	M/s Padmavati Investment Ltd	22,750	23.63
2	Sushila Birla Memorial Institute	11,375	11.82
3	Yash Society	37,425	38.88
4	Mr. Yashovardhan Birla	3,000	3.12
5	M/s Godavari Corporation Pvt. Ltd	8,450	8.78
6	M/s Shearson Investment & Trading Co. Pvt. Ltd	13250	13.77
	Total	96,250	100.00

The brief audited financials are given below:

(Rs in Lacs)

Particulars	For the year ended 31 st March		
	2009	2008	2007
Equity Share Capital	96.25	96.25	96.25
Reserves & Surplus (excluding revaluation reserve)	268.05	271.70	260.42
Share Holders Funds / Net Worth (Rs)	364.30	367.95	356.67
Total Income	27.81	37.12	30.84
Profit / (Loss) After Tax	(3.61)	11.55	(64.32)
EPS of FV Rs. 100/- each (Rs.)	-ve	12.00	-ve
NAV per share of FV Rs. 100/- each (Rs.)	379.48	382.29	370.57

- The company is not a listed Company.
- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

F) **Yash Society**

Date of Incorporation	Originally incorporated on March 13, 1970 under the name and style of Birla Vidya Vihar Society, renamed on December 13, 1988 under the present name of Yash Society.
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai-400 020
Registration Number	Bom 52/1970 GBBD under the Societies Registration Act, 1860. PTR No. F-2195 (Bom) under the Bombay Public Trust Act, 1950.
Permanent Account Number	AAATY0007D
Nature of Business	Presently Yash Society is running a hospital at Nasik and Ayurvedic/ Homeopathic Dispensary at Mumbai.

Board of Trustees/ Management

As on September 30, 2009, the list of Trustees/Board of Management of Yash Society consist of:

1. Mr. Yash Birla, Chairman
2. Mrs. Avanti Birla,
3. Mr. Arun Singhi, Hon. Secretary.
4. Mr. G. L. Lath
5. Mr. R. S. Malani

The brief audited financials are given below:

(Rs. in lakhs)			
Particulars	31.03.2009	31.03.2008	31.03.2007
Corpus /trust fund	340.00	340.00	340.00
Investments	136.66	213.46	235.16
Fixed assets	802.76	234.68	98.75
Development fund account	450.52	434.71	385.99
Income & expenditure account balance surplus	29.36	25.23	9.00
Total Income	136.18	88.77	47.70
Profit / (Loss) After Tax	4.13	16.24	5.23

G) Padmavati Investment Ltd.

Date of Incorporation	The company was incorporated on 15 th April 1944 under the name and style of Nagda Cotton Mills Limited in Gwalior. The name of the company was changed to Padmavati Raje Cotton Mills Limited, subsequently the name of the company was changed to Padmavati Investments Limited on 14 th July 1997.
CIN	U17111WB1961PLC025320
Registered Office	9/1 R N Mukherjee Road, Kolkata, West Bengal - 700001
NBFC Registration No.	05.01645
Permanent Account Number	AABCP8632M
Nature of Business	The company is presently engaged in the business of investment activities

Promoters:

- B.K. Birla Foundation
- Ms. Jayshree Mohta
- Jay Shree Tea & Industries Ltd.
- Aditya Marketing & Manufacturing Ltd.
- Bharat Arogya & Gyan Mandir
- Birla Group Holding Private Ltd.
- Manav Investment & Trading Co. Ltd.

Board of Directors as on 30th September, 2009

Sl. No	Name	Designation
1	Ms. Sarala Birla	Director
2	Ms. Jayashree Mohta	Director
3	Mr. Dau Lall Binani	Director

Shareholding Pattern as on 4th December, 2009

Sl. No.	Name of shareholders	Number of Equity Shares	% of holding
1	Manav Investment & Trading Co. Ltd	172373	21.65
2	Aditya Marketing & Manufacturing Ltd.	140408	17.64
3	B.K. Birla Foundation	136479	17.14
4	Ms. Jayshree Mohta	90494	11.37
5	Bharat Arogya & Gyan Mandir	82831	10.40
6	Jay Shree Tea & Industries Ltd.	68560	8.61
7	Birla Group Holding Private Ltd.	61500	7.72
8	Prakash Educational Society	14412	1.81
9	Birla Educational Institution	10800	1.36
10	Aryaman Vikram Birla	8640	1.09
11	Kesoram Industries Ltd	7231	0.91
12	Gwalior Properties & Estates Pvt Ltd	1800	0.23
13	Ananyashree Birla	368	0.05
14	Uday Singh Goharwar	90	0.01
15	Shashi Prabha Gaherwar	90	0.01

16	Maitreyi Kandoi	20	0.00
17	HGI Industries Ltd	15	0.00
18	Advaitesha Birla	8	0.00
19	Prakash Kumar Mohta	1	0.00
20	Jayantika Mohta	1	0.00
	Total	796121	100.00

The brief audited financials are given below:

(Rs. in lakhs)

Particulars	For the year ended 31 st March		
	31.03.2009	31.03.2008	31.03.2007
Equity Share Capital	79.61	79.61	79.61
Reserves & Surplus (excluding revaluation reserve)	2232.61	2218.15	1892.08
Share Holders Funds / Net Worth (Rs)	2312.22	2297.76	1971.69
Total Income	497.40	740.33	617.77
Profit / (Loss) After Tax	154.18	469.33	478.73
EPS of FV Rs. 10/- each (Rs.)	19.37	58.95	60.13
NAV per share of FV Rs 10 each (Rs.)	290.44	288.63	247.67

- The company is not a listed Company.
- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.

CONFIRMATION

We hereby confirm that the Permanent Account Numbers, Bank Account Numbers, the Company Registration Numbers and the addresses of the Registrars of Companies where the promoter companies are registered have been submitted to Bombay Stock Exchange Limited (BSE), Calcutta Stock Exchange (CSE) and Ahmedabad Stock Exchange (ASE) on which our Company proposes to list its Equity Shares at the time of filing of this Draft Red Herring Prospectus

Our Promoters, Promoter Group and Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, our Promoters have not been identified as a wilful defaulter by RBI or any other Government authority and there are no violations of securities laws committed by the Promoters in the past or any such proceedings are pending against the Promoters.

PROMOTER GROUP COMPANIES

In addition to our Promoter, as specified under the section “Promoters” on page no. 89 of the RHP, the following companies and entities shall form part of our Group:

LISTED GROUP COMPANIES

1. Birla Transasia Carpets Limited
2. Birla Precision Technologies Limited (Previously known as Birla Kennametal Limited)
3. Zenith Birla (India) Limited
4. Birla Power Solutions Limited
5. Dagger Forst Tools Limited
6. Birla Cotsyn (India) Limited
7. Melstar Information Technologies Limited

UNLISTED GROUP COMPANIES

1. Birla International Limited
2. Tungabhadra Holdings Private Limited
3. Birla Lifestyle Private Limited
4. Birla Viking Travels Private Limited
5. Birla Infrastructure Limited (Previously known as BCI International Limited)
6. Birla Electricals Limited
7. Birla Concept India Private Limited
8. Birla AccuCast Limited (Previously known as Birla Perucchini Limited)
9. Birla Bombay Private Limited
10. Birla Edutech Limited
11. Birla Global Corporate Private Limited

LISTED GROUP COMPANIES:

1) BIRLA TRANSASIA CARPETS LTD (BTCL)

Date of Incorporation	The company was incorporated as Tufted Carpets and Woollen Industries Limited on September 04, 1972 under the Companies Act, 1956 in the state of Uttar Pradesh. The name of the company was changed to Transasia Carpets Limited with effect from 30 th January, 1979 and it was subsequently changed to Birla Transasia Carpets Limited with effect from February 18, 1998.
CIN	L17222UP1972PLC004772
Registered Office	Plot No. 3 & 4 Industrial Area, Secunderabad – 203 205, Dist. – Bulandshahr U.P
Nature of Business	The products of the company include carpets of different styles like DVD, galaxy, prime, luxury, top notch, renaissance and astral.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1	Mr. Arun Singhi	Director-Non Executive
2	Mr. R.S. Juneja	Director-Executive
3	Mr. Purshottam Sharma	Director-Non Executive

Details on the listing of the company

Year of Initial Listing	1978
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange, Delhi Stock Exchange
Details of offering in last 5 Years	None.
Date of opening and closing of Issue	N.A.
Date of Allotment	N.A.
Date of Listing	N.A.
Listing Code	503823

Shareholding Pattern as on 30th September 2009.

Category Code	Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian							
	Bodies Corporate	7	1,730,497	-	61.04	61.04	-	-
	Sub Total	7	1,730,497	-	61.04	61.04	-	-
(2)	Foreign							
	Total shareholding of Promoter and Promoter Group (A)	7	1,730,497	-	61.04	61.04	-	-
(B)	Public Shareholding							
(1)	Institutions							
	Mutual Funds / UTI	1	4,550	-	0.20	0.20	-	-
	Financial Institutions / Banks	2	400	-	0.01	0.01	-	-
	Insurance Companies	1	26,312	-	0.92	0.92	-	-
	Sub Total	4	31,262	-	1.13	1.13	-	-
(2)	Non-Institutions							
	Bodies Corporate	28	23,600	-	0.83	0.83	-	-
	Individuals							
	Individual shareholders holding nominal share capital up to Rs. 1 lakh	6,457	663,500	-	23.40	23.40	-	-
	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	11	335,850	-	11.84	11.84	-	-
	Any Others (Specify)	1	50,320	-	1.77	1.77	-	-
	Clearing Members	1	50,320	-	1.77	1.77	-	-
	Sub Total	6,497	1,073,270	-	37.82	37.82	-	-
	Total Public shareholding (B)	6,501	1,104,532	-	38.96	38.96	-	-
	Total (A)+(B)	6,508	2,835,029	-	100.00	100.00	-	-
©	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	6,508	2,835,029	-	100.00	100.00	-	-

This Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and made payment of listing fees to BSE but not paid to DSE.

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.03.2009	31.3.2008	31.3.2007
Share Capital	283.83	283.83	283.83
Reserves (Excluding Revaluation Reserve)	132.00	132.00	132.00
Profit & Loss A/c (not written off)	(3455.55)	(3279.99)	(3199.49)
Net Worth	(3039.73)	(2864.16)	(2783.66)
Sales	150.76	266.78	263.63
PAT	(175.53)	(79.78)	(360.56)
EPS (Per Share) (Rs.)	-ve	-	-
NAV Per Share (Rs.)	-ve	-	-

The company's auditors in their report for the financial years 2007, 2008 and 2009 have stated that non-provision of interest on Inter Corporate Deposits resulting into understatement of loss for the years by Rs.189.70 Lacs, Rs.226.81 Lacs and Rs.80.50 Lacs respectively and as a result into understatement of current liabilities to the same extent.

The stock market data of the company for the last six months on BSE is as under

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Net Turnover (Rs. In Lacs)
June 2009	69.00	62.80	150	0.10
July 2009	104.80	58.05	8450	6.87
August 2009	159.70	109.90	24450	34.62
September 2009	137.00	117.55	5800	7.35
October 2009	111.70	74.25	20850	18.87
November 2009	70.55	67.05	2150	1.51

(Source: www.bseindia.com)

Other Details:

Public or rights Issue in the preceding three years	No
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	Yes*
Whether the company has made a loss in the immediately preceding year and if so, the profit Or loss figures for the immediately preceding three years	Yes

* The company has incurred a loss of Rs.175.53 lakhs during the financial year 2008 – 09

* Non provision of interest on ICD and PICUP loans resulting into understatement of loss for the year, amount unascertained. Similarly non-accounting of interest liability resulting into understatement of current liabilities as on 31/03/2009 to the same extent

* The company is not regular in depositing the provident fund dues, ESI dues, TDS, Service Tax and Sales Tax with the respective authorities

* Contingent Liabilities not provided by the company includes claims against the company not acknowledged as debts Rs. 3,90,48,493/- and Guarantees issued by the banks on behalf of the company of Rs.4,00,000/-

* No provisions of liabilities had been made on account of shortfall in fulfillment of export obligations against duty free import of raw material on Advance Licenses in earlier years.

The Company has been declared a Sick Industrial Company within the meaning of clause (O) of the sub section (10) of the section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 by the Board for Industrial & Financial Reconstruction (BIFR) in its meeting held on 28.06.99 and registered as case no. 43/99 with the Board. The Company has been directed by the BIFR for submission of Draft Rehabilitation Scheme (DRS) for its consideration and approval in its meeting held on 26.09.05. The Company has submitted DRS scheme to operating agency Punjab National Bank (PNB) and PNB has submitted DRS to BIFR and awaiting final order of Hon'ble BIFR. The BIFR meeting held on 14/06/2007 directed to the Operating Agency (PNB) to re-submit the DRS for final decision. The revised DRS was discussed in a joint meeting held on 17/01/2008 at PNB, Head office, New Delhi. The same DRS after duly incorporating views/ consents of all involved agencies was circulated to the members on 12/05/2008.

The company has not constituted investor grievance committee since the paid up capital of the company is less than Rs. 300 lacs.

Note * The inter-corporate deposits mentioned, do not include deposits given/ taken by our company

There are no defaults in meeting any statutory/bank/institutional dues except as mentioned below. No proceedings have been initiated for economic offences against the Company.

(Rs. In Lacs)

Particulars	Amount Dues as on 31.03.09	Remarks
Provident Fund	1.14	Paid on 03.07.2009
FBT	1.86	Not paid
Excise Duty	34.74	Not paid
Sales Tax	15.12	Not paid

(2) **BIRLA PRECISION TECHNOLOGIES LTD. (BPTL) (FORMERLY BIRLA KENNAMETAL LIMITED)**

Date of Incorporation	The company was incorporated as Birla Brickson (tools) Limited on October 13, 1986 under The Companies Act, 1956 in the state of Maharashtra. The name of the company was changed to Birla Erickson (Tools) Limited with effect from 16 th December, 1986. The name was further changed to Birla Kennametal Limited with effect from 1 st December, 1989 and it was subsequently changed to Birla Precision Technologies Limited with effect from November 20, 2007.
CIN	L29220MH1986PLC041214
Registered Office	B-15/4, MIDC Industrial Area, Waluj, Aurangabad – 431 133
Nature of Business	The Company has one of the most modern plants set up with CNC Machines, imported special purpose machines and other machines of reputed make. The plant is situated at Aurangabad in Maharashtra. Products manufactured are wide range of precision AT 3 class rotating tool holders, Machine tools and Accessories.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1	Mr. Yashovardhan Birla	Chairman- Non-executive
2	Mr. P.V.R. Murthy	Director –Non-executive
3	Mr. A. P.Kurias	Director-Non-executive, Independent
4	Mr. Shailesh Sheth	Director-Non-executive, Independent
5	Mr. M.S.Arora	Managing Director
6.	Mr. Mohandas Shenoy Adige	Director-Non-executive, Independent

Details of Listing of Birla Precision Technologies Ltd

Year of Initial Listing	1990
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange
Details of offering in last 5 Years	None.
Date of opening and closing of Issue	N.A.
Date of Allotment	N.A.
Date of Listing	N.A.
Listing Code	522105

Shareholding Pattern as on 30th September 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Bodies Corporate	5	11,999,950	11,499,950	75.00	75.00	5,581,680	46.51
Sub Total	5	11,999,950	11,499,950	75.00	75.00	5,581,680	46.51
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	5	11,999,950	11,499,950	75.00	75.00	5,581,680	46.51
(B) Public Shareholding							
(1) Institutions							
Foreign Institutional Investors	2	1,335,000	1,335,000	8.34	8.34	-	-
Sub Total	2	1,335,000	1,335,000	8.34	8.34	-	-
(2) Non-Institutions							
Bodies Corporate	100	616,236	614,236	3.85	3.85	-	-
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	2,602	1,443,840	1,153,300	9.02	9.02	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3	554,500	554,500	3.47	3.47	-	-
Any Others (Specify)	36	50,474	50,474	0.32	0.32	-	-
Trusts	2	10	10	-	-	-	-
Non Resident Indians	22	34,316	34,316	0.21	0.21	-	-
Clearing Members	10	11,848	11,848	0.07	0.07	-	-
Directors & their Relatives & Friends	2	4,300	4,300	0.03	0.03	-	-
Sub Total	2,741	2,665,050	2,372,510	16.66	16.66	-	-
Total Public shareholding (B)	2,743	4,000,050	3,707,510	25.00	25.00	-	-
Total (A)+(B)	2,748	16,000,000	15,207,460	100.00	100.00	5,581,680	34.89
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	2,748	16,000,000	15,207,460	-	100.00	5,581,680	34.89

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchange.

Brief audited financials of the Company

(Rs in Lacs)

Particulars	31.3.2009	31.3.2008	31.3.2007
Share Capital	320.00	320.00	320.00
Reserves (Excluding Revaluation Reserve)	1707.21	1669.82	1192.75
Net Worth	2027.21	1989.82	1512.75
Sales	2714.00	3135.78	2421.01
PAT	56.11	533.23	602.37
EPS (Per Share) (Rs.)	0.35	3.33	18.82*
NAV Per Share (Rs.)	12.67	12.44	47.27

*The huge difference in the EPS & book value of the year 2008 & 2007 is due to the reduction in face value of the shares from Rs. 10/- to Rs. 2/- in the year 2007-2008 and hence a rise in the number of shares.

The stock market data of BPTL on BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs in Lacs)
June 2009	28.25	17.85	178444	40.62
July 2009	20.40	15.45	116503	20.40
August 2009	19.25	15.25	78593	13.01
September 2009	19.65	16.00	97469	17.49
October 2009	18.15	14.50	63247	10.80
November 2009	20.90	15.20	170690	30.49

Source: (www.bseindia.com)

Other Details:

Public or rights Issue in the preceding three years	No
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	No

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

Birla Precision Technologies Limited has filed a scheme of Arrangement/Amalgamation U/s 391-394 of the Companies Act, 1956 before the Hon'ble High Court at Bombay seeking approval of merger of tool division of Zenith Birla (India) Ltd. with the company. As confirmation and approval of the scheme is pending at the High Court.

(3) ZENITH BIRLA (INDIA) LTD (ZBIL)

Date of Incorporation	The company was incorporated as Zenith Steel Pipes Limited on August 05, 1960 under The Companies Act, 1956 in the state of Maharashtra. The name of the company was changed to Zenith Steel Pipes and Industries Limited with effect from 31 st October, 1975. The name of the company was further changed to Zenith Limited with effect from 28 th January, 1986 which was subsequently changed to Zenith Birla (India) Limited with effect from October 18, 2005.
CIN	L29220MH1960PLC011773
Registered Office	Dalamal House, 1 st Floor, 206, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021
Nature of Business	The company manufactures Steel Pipes at Khopoli, Maharashtra. ZBIL has presently two divisions viz. Pipes Division at Khopoli and Tools Division at Nashik and Aurangabad.

Board of Directors as on 30th September, 2009

Sl.No.	Name	Designation
1	Mr. Yashovardhan Birla	Chairman (Non Executive)
2	Dr. D.V. Kapur	Director (Independent)
3	Mr. Augustine Kurias	Director (Independent)
4	Mr. Anirudha Barwe	Director (Independent)
5	Mr. M.S. Arora	CEO & Executive Director (Non Independent)
6	Mr..P.V.R Murthy	Director (Non Executive Non Independent)

Details of listing of Zenith Birla (India) Ltd

Year of Initial Listing	1961
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange and National Stock Exchange
Details of offering in last 5 Years	Follow on public Issue of 2,38,18,182 Equity shares of Rs. 10/- each offered at a fixed price of Rs. 55/- per share (including a premium of Rs. 45/- per share) aggregating to Rs. 13, 100 Lacs to finance its expansion project, working capital requirements and to meet the issue expenses.
Date of opening and closing of Issue	The said issue was opened for subscription on 16 th October, 2006 and closed on 20 th October, 2006.
Date of Allotment	15 th November, 2006
Date of Listing	21 st November, 2006
Listing Code	531845

Shareholding Pattern as on 30th September, 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	15	192,371	78,492	0.48	0.48	-	-
Bodies Corporate	12	13,251,106	13,226,198	33.07	33.07	8,785,000	66.30
Sub Total	27	13,443,477	13,304,690	33.55	33.55	8,785,000	65.35
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	27	13,443,477	13,304,690	33.55	33.55	8,785,000	65.35
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	10	3,296	477	0.01	0.01	-	-
Financial Institutions / Banks	45	355,058	331,278	0.89	0.89	-	-
Sub Total	55	358,354	331,755	0.89	0.89	-	-
(2) Non-Institutions							
Bodies Corporate	596	13,480,174	13,469,189	33.64	33.64	-	-
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	65,758	6,078,705	4,745,239	15.17	15.17	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	58	6,225,007	6,225,007	15.53	15.53	-	-
Any Others (Specify)	327	486,827	484,365	1.21	1.21	-	-
Clearing Members	115	376,124	376,124	0.94	0.94	-	-
NRIs/OCBs	205	109,739	107,277	0.27	0.27	-	-
Trusts	6	952	952	-	-	-	-
Directors & their	1	12	12	-	-	-	-

Relatives & Friends							
Sub Total	66,739	26,270,713	24,923,800	65.56	65.56	-	-
Total Public shareholding (B)	66,794	26,629,067	25,255,555	66.45	66.45	-	-
Total (A)+(B)	66,821	40,072,544	38,560,245	100.00	100.00	8,785,000	21.92
© Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	66,821	40,072,544	38,560,245	-	100.00	8,785,000	21.92

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchange.

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.3.2009	31.3.2008	31.3.2007
Share Capital	4007.25	4007.25	4007.25
Reserves (Excluding Revaluation Reserve)	18466.59	17495.26	15903.74
Net Worth	22473.84	21502.51	19910.99
Sales	58651.70	46196.40	37612.48
PAT	1493.17	1921.36	1661.63
EPS (Per Share) (Rs.)	3.70	4.79	6.59
NAV Per Share (Rs.)	56.08	53.66	49.69

The stock market data of ZBIL at BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Net Turnover (Rs in Lacs)
June 2009	29.45	18.75	3118849	769.31
July 2009	22.05	14.05	2307399	565.06
August 2009	26.00	19.50	3381958	800.97
September 2009	26.50	21.50	2958035	728.87
October 2009	26.00	21.10	1909726	456.07
November 2009	23.15	16.70	934338	197.87

(Source: www.bseindia.com)

The stock market data of ZBIL at NSE is as under:

Month	High (Rs.)	Low (Rs.)	No.of Shares Traded	Net Turnover (Rs in Lacs)
June 2009	27.35	18.2	2306298	580.18
July 2009	22.60	14.25	935417	174.10
August 2009	26.00	19.50	3381958	800.97
September 2009	26.50	21.50	2958035	728.88
October 2009	26.00	21.10	1909726	456.07
November 2009	22.80	19.10	741240	156.48

(Source: www.nseindia.com)

Other Details:

Public or rights Issue in the preceding three years	*Yes
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	No

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company other than as given in the statement of legal cases

The company has a Shareholders' / Investors' Grievances Committee to redress the complaints of the shareholders in respect of the matters pertaining to transfer of shares, non-receipt of annual report, dematerialization of shares etc. The Committee comprises of 2 members namely, Mr A.P. Kurias & Mr. M. S. Arora. The Committee functions under the chairmanship of Mr A.P. Kurias.

Zenith Birla India Limited has filed a scheme of Arrangement/Amalgamation U/s 391-394 of the Companies Act, 1956 before the Hon'ble High Court at Bombay seeking approval of demerger of tool division of the company and merger of the said division with Birla Precision and Technologies Ltd. and merger of Tungabhadra Holdings Pvt. Ltd. with Zenith Birla India Ltd. As confirmation and approval of the scheme is pending at the High Court

Promise v/s Performance:

* The Company has come out with a follow-on Public Issue of 2,38,18,182 Equity Shares of Rs.10/- each offered at a fixed price of Rs.55/- per share (including a premium of Rs.45/- per share) aggregating to Rs.13,100 Lacs to finance its expansion project, working capital requirements and to meet the issue expenses. The said issue opened for subscription on 16th October, 2006 and closed on 20th October, 2006. The issue was fully subscribed and the basis of allotment was finalized in consultation with the Bombay Stock Exchange Ltd. and the new equity shares were listed on BSE with effect from 21st November, 2006.

The objects of the issue were:

1. Setting up additional facilities for manufacture of Mechanical tubes
2. Working Capital (existing business)
3. Margin Money for Working Capital (Mechanical tube Business)
4. To meet the issue expenses.

Details of utilization of Public Issue proceeds of Rs.131 crores towards ongoing project are as follows:

(Rs. In Lacs)

Sr. No.	Particulars	Projected Amount	Balance amount to be spent
I	Land and Site Development	42	-
II	Building	1576	835
III	Plant and Machinery	7157	6298
IV	Miscellaneous Fixed Assets	47	37
	Sub Total	8822	7170
V	Preliminary and Pre-operative expenses	150	98
VI	Public Issue Expenses	1200	(10)
VII	Contingency	221	221
VIII	Working Capital (Existing)	2150	-
IX	Working Capital (Project)	557	557
	Total	13100	8036

Keeping in view of the change in the preferences of potential customers, certain modifications were made in the project plan envisaged in the Prospectus issued for the Follow on Public Offer. There has been a delay in the implementation of project on account of the modifications in the project plan. Further, the general slowdown in the auto and auto component sector (the target sector of the new project) reduced the pace of the implementation.

Pending full utilization, the balance amount of Rs.8036 lacs is being held in Current/Fixed deposit/liquid assets accounts. Similarly the company has also deployed the available surplus in reducing its working capital and cash credit utilization for ensuring the timely availability of resources when required.

Schedule of Implementation

Activity - Mechanical Tube Project	As per Prospectus Commencement Date	As per Prospectus Completion Date	Actual/Expected
Acquisition of Land	Existing Land in Khopoli will be utilized for setting up Mechanical Tube Project	Completed	Completed
Development of Land	September 2006	November 2006	Completed
Building			
Factory Building	December 2006	June 2007	December 2009
Auxilliary Building	December 2006	May 2007	March 2010
Machine Foundation	February 2007	May 2007	March 2010
Administrative Building	March 2007	June 2007	December 2009
Plant and Machinery			
Indigenous - Placement of order	November 2006	January 2007	March 2010
Delivery at Site	April 2007	August 2007	March 2010
Imported - Placement of order	October 2006	December 2006	March 2010
Delivery at Site	May 2007	July 2007	April 2010
Erection of Plant and Machinery	June 2007	October 2007	June 2010
Trial Run		November 2007	July 2010
Commercial Production		December 2007	August 2010

The delay in the project has been on account of slight modification in the Project Plan due change in product specification which was derived from a fresh market survey conducted by the Company of the customer preferences.

(4) BIRLA POWER SOLUTIONS LTD (BPSL) (FORMERLY BIRLA YAMAHA LTD)

Date of Incorporation	The Company was incorporated in the name of Birla Yamaha Limited on April 27, 1984 under The Companies Act, 1956 in the state of Maharashtra. The name of the company was subsequently changed to Birla Power Solutions Limited from December 04, 2003.
CIN	L31101MH1984PLC032773
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020
Nature of Business	The Company is presently producing a wide range of generators, multi-purpose engines, invertors/ batteries, sprayers, water pumps etc. Birla Power Solutions Ltd. was the first Company to roll out self start gensets and recently became the first Company to launch emission compliant generators under the brand name – BIRLA ECOGEN.

Board of Directors as on 30th September, 2009:

Sl. No.	Name	Designation
1	Mr. Yashovardhan Birla	Chairman (Non Executive, Non Independent)
2	Mr. Yogendra P. Trivedi	Director (Independent)
3	Mr. Rajesh V Shah	Director (Independent)
4	Mr. P.V.R Murthy	Director (Non Executive Non Independent)
5	Mr. Upkar Singh Kohli	Director (Independent)
6	Mr. Kalyan Bhattacharya	Whole time Director (Executive, Non Independent)

Details of listing of Birla Power Solutions Ltd

Year of Initial Listing	1986
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange and National Stock Exchange
Details of offering in last 5 Years	1. Public Issue 2. Preferential Allotment 3. Qualified Institutional Placement
Date of opening and closing of Issue	<ul style="list-style-type: none"> Public Issue Date of opening: 24/03/06 Date of Close: 29/03/06 QIP- Date of opening: 16/01/08 Date of closing: 28/01/08
Date of Allotment	1. Public issue – 22 nd April, 2006 2. Preferential Allotment – 09 th September, 2006 3. QIP- 31 st January, 2008
Date of Listing	1. Public issue – 26 th April, 2006 2. Preferential Allotment – 02 nd November, 2006 3. QIP- 2 nd February, 2008
Listing Code	517001

Shareholding Pattern as on 30th September 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	1	2,008,000	2,008,000	0.47	0.47	-	-
Bodies Corporate	4	69,876,320	69,876,320	16.46	16.46	31,650,000	45.29
Sub Total	5	71,884,320	71,884,320	16.93	16.93	31,650,000	44.03
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	5	71,884,320	71,884,320	16.93	16.93	31,650,000	44.03
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	2	4,000	-	-	-	-	-
Financial Institutions / Banks	9	5,417,970	5,396,470	1.28	1.28	-	-
Foreign Institutional Investors	6	12,000	-	-	-	-	-
Sub Total	17	5,433,970	5,396,470	1.28	1.28	-	-
(2) Non-Institutions							
Bodies Corporate	1,399	94,375,250	94,294,740	22.22	22.22	-	-
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	103,695	236,660,941	230,065,521	55.73	55.73	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	54	9,641,057	9,528,557	2.27	2.27	-	-
Any Others (Specify)	738	6,643,022	6,641,022	1.56	1.56	-	-
Non Resident Indians	731	6,636,502	6,634,502	1.56	1.56	-	-
Trusts	7	6,520	6,520	-	-	-	-
Sub Total	105,886	347,320,270	340,529,840	81.79	81.79	-	-
Total Public shareholding (B)	105,903	352,754,240	345,926,310	83.07	83.07	-	-
Total (A)+(B)	105,908	424,638,560	417,810,630	100.00	100.00	31,650,000	7.45
(C) Shares held by Custodians and against which	-	-	-	-	-	-	-

Depository Receipts have been issued							
Total (A)+(B)+(C)	105,908	424,638,560	417,810,630	-	100.00	31,650,000	7.45

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchange.

Brief Audited Financial Performance

(Rs. in Lacs)

Particulars	31.3.2009 (12 Months)	31.03.2008 (12 Months)	31.3.2007 (18 Months)
Share Capital	4246.53	4246.53	2376.57
Reserves (Excluding Revaluation Reserve)	14834.42	14517.14	9309.83
Net Worth	19080.95	18763.67	11686.40
Sales	22477.23	21670.89	22540.76
PAT	407.81	693.40	863.30
EPS (Per Share) (Rs.)	0.96	2.09	3.63
NAV Per Share (Rs.)	44.93	56.64	49.17

NOTE:-

1. The face value of the shares has been changed from Rs.10 to Re.1 with effect from 5th May 2009.

The stock market data of BPSL at BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs in Lacs)
June 2009	5.49	3.35	44365788	2050.04
July 2009	4.28	3.20	22830942	865.39
August 2009	4.38	3.30	25441330	965.22
September 2009	4.68	3.84	45814661	1958.14
October 2009	4.08	3.21	18858856	700.31
November 2009	3.61	3.01	13877458	459.49

(Source: www.bseindia.com)

The stock market data of BPSL at NSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs. in Lacs)
June 2009	5.85	3.35	69332423	3283.09
July 2009	4.35	3.15	36695572	1392.32
August 2009	4.45	3.30	47443807	1836.56
September 2009	4.70	3.85	79006654	3376.79
October 2009	4.10	3.20	36155104	1342.96
November 2009	3.60	3.05	25793044	852.54

(Source : www.nseindia.com)

Other Details:

Public or rights Issue in the preceding three years	Yes*
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	No

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

Promise v/s Performance:

*The company had come out with its IPO in April 2006 by issuing 120,00,000 Equity shares of Rs.10 each for cash at a premium of Rs.32 per shares (i.e. Issue Price of Rs. 42/-per share) aggregating to Rs.5040 Lacs vide prospectus dated March 08, 2006. The said issue was opened for subscription on March 24, 2006 and closed on March 29, 2006. The issue was fully subscribed and the basis of allotment was finalized in consultation with the Bombay Stock Exchange Ltd.

The main objects of the issue were:

- To finance the cost of expansion of the capacities of the existing products of the company viz., Diesel Genset, Multi Purpose Engine, Alternators and Fuel Tank
- To finance the setting up of a new plant for manufacturing LPG/CNG Gensets, Inverter, Engines and Accoustic Hoods
- To meet the margin money for working capital requirement
- To meet the expense of the issue

Details of utilization of funds of Public Issue amounting to Rs. 5041.34 Lakh are as follows:

(Rs. in Lacs)

Sl. No.	Particulars Specified in Prospectus	Estimated Expenditure	Payment released upto 31.3.2007
1	Factory Building		
	a. Site Development	100.00	100.00
	b. Building and Civil Work	920.52	920.52
2	Purchase of Assets (Plant and Machinery including Misc.)	2314.89	2314.89
3	Preliminary and Preoperative Expenses	102.10	43.20
4	Contingencies	333.54	333.54
5	Issue Expenses	343.55	343.55
6	Margin Money and Working Capital	926.74	985.64
	Total	5041.34	5041.34

Schedule of Implementation

Sl. No.	Major Activities	As Per Prospectus Commencement	As Per Prospectus Completion	Actual Completion
1	Land Development/Contruction of Building	January 2006	June 2006	January 2007
2	Placing order for Plant & Machinery	February 2006	April 2006	May 2006
3	Plant & Machinery Procurement	March 2006	August 2006	October 2006
4	Procurement of Other Fixed Assets	June 2006	August 2006	January 2007
5	Erection/Installation of Plant & Machinery	May 2006	September 2006	January 2007
6	Trial Production/Commercial Production	October 2006		February 2007

The time overrun was on account of delay in delivery of Plant & Machinery from suppliers, however, there was no cost overrun.

The company also raised funds from issue of 1,86,99,600 Equity Shares of Rs. 10/- at a premium of Rs 26/- per share aggregating to Rs. 67,31,85,600/- to Qualified Institutional Buyers (QIBs) in January 2008. The amount is fully spent upto 30th June, 2008. The utilization of the aforesaid amount is given hereunder:

Sl No.	Particulars	Amount (Rs. In lacs)
	FUNDS UTILISED FOR:-	
1	Long Term Working Capital Requirements	3970.00
2	Repayment of Fixed Deposits	352.86
3	Payment of Statutory Dues	481.38
4	General Corporate Purposes	1927.62
	TOTAL	6731.86

(5) DAGGER FORST TOOLS LIMITED (DFTL)

Date of Incorporation	The Company was incorporated in the name of Dagger Forst Tools Limited on May 04, 1965 under the Companies Act, 1956 in the state of Maharashtra
CIN	L99999MH1965PLC013198
Registered Office	S-2, Vedant Vommercial Complex, First Pokharan Road, Thane – 400 606.
Nature of Business	Dagger Forst Tools Limited (DFTL) is engaged in the manufacture of highly specialized cutting tools viz. broaches, hobs, shaper cutters & shaving cutters (gear cutting tools). DFTL was incorporated in Technical collaboration and equity participation with Oswald Forst GmbH of Germany and their nominee German Investment and Development Company. All these manufacturing units have obtained ISO certification and satisfy all the norms related to environmental clearances. The company has manufacturing facilities at Thane and Aurangabad.

Board of Directors as on 30th September, 2009

Sr. No	Name of the Director	Status
1	Mr. Yashovardhan Birla	Non Executive, Non Independent
2	Ms. Avanti Birla	Non Executive, Non Independent
3	Mr. G.L. Lath	Executive Director
4	Mr. Vijay Agarwal	Non Executive, Independent
5	Mr. Shailesh Sheth	Non Executive, Independent
6	Mr. Rajesh Shah	Non Executive, Independent

Details of Listing of Dagger Forst Tools Ltd

Year of Initial Listing	1985
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange
Details of offering in last 5 Years	Public cum Right Issue
Date of opening and closing of Issue	Right Issue: Opening date- 06.08.07 Closing date- 05.09.07 Public Issue: Opening date- 27.08.07 Closing date- 03.09.07
Date of Allotment	21.09.07
Date of Listing	01.10.07
Listing Code	505426

Shareholding Pattern as on 30th September, 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	2	420,517	329,145	3.53	3.53	-	-
Bodies Corporate	6	5,600,783	5,600,583	47.04	47.04	2,000,000	35.71
Sub Total	8	6,021,300	5,929,728	50.57	50.57	2,000,000	33.22
(2) Foreign							
Bodies Corporate	1	183,700	-	1.54	1.54	-	-
Sub Total	1	183,700	-	1.54	1.54	-	-
Total shareholding of Promoter and Promoter Group (A)	9	6,205,000	5,929,728	52.11	52.11	2,000,000	32.23
(B) Public Shareholding							
(1) Institutions							
Financial Institutions / Banks	1	200	200	-	-	-	-
Sub Total	1	200	200	-	-	-	-
(2) Non-Institutions							
Bodies Corporate	173	680,600	665,540	5.72	5.72	-	-
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	8,985	3,695,808	3,501,688	31.04	31.04	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	35	1,150,132	1,150,132	9.66	9.66	-	-
Any Others (Specify)	111	175,398	175,398	1.47	1.47	-	-
Non Resident Indians	50	27,105	27,105	0.23	0.23	-	-
Clearing Members	58	147,433	147,433	1.24	1.24	-	-
Trusts	2	10	10	-	-	-	-
Directors & their Relatives & Friends	1	850	850	0.01	0.01	-	-
Sub Total	9,304	5,701,938	5,492,758	47.89	47.89	-	-
Total Public shareholding (B)	9,305	5,702,138	5,492,958	47.89	47.89	-	-
Total (A)+(B)	9,314	11,907,138	11,422,686	100.00	100.00	2,000,000	16.80
(C) Shares held by Custodians and against which Depository Receipts have been issued							
	-	-	-	-	-	-	-
Total (A)+(B)+(C)	9,314	11,907,138	11,422,686	-	100.00	2,000,000	16.80

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchange.

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.3.2009	31.3.2008	31.3.2007
Share Capital	1190.71	1190.71	465.49
Reserves (Excluding Revaluation Reserve)	3562.84	3756.57	1962.44
Profit and Loss A/c	(321.35)	--	--
Net Worth	4432.20	4947.28	2427.93
Sales	3063.85	3808.52	3569.18
PAT	(525.42)	10.82	101.90
EPS (Per Share) (Rs.)	-ve	0.12	2.19
NAV Per Share (Rs.)	37.22	41.55	52.16

The stock market data of DFTL at BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs in Lacs)
June 2009	15.90	12.45	267382	38.83
July 2009	16.10	10.55	232369	32.34
August 2009	18.10	13.80	269694	43.75
September 2009	17.70	15.05	177631	29.77
October 2009	16.50	12.65	111831	16.18
November 2009	14.00	11.50	114700	14.82

(Source : www.bseindia.com)

Other Details:

Public or rights Issue in the preceding three years	Yes*
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	Yes

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

*Dagger Forst Tools Limited had come out with a composite issue of equity shares of Rs. 10/- each aggregating to Rs. 2900.00 lacs in the year 2007 comprising of:

Rights issue of 33,24,954 equity shares of Rs. 10/- each for cash at a premium of Rs. 23 per share (i.e. at a price of Rs. 33 per share) aggregating to Rs. 1,097.23 lacs to the existing equity shareholders of the company in the ratio of (5) equity shares for every (7) equity shares held as on July 06, 2007 (record date) and

Public issue of 4006150 equity shares of Rs. 10/- each for cash at a price of Rs. 45 inclusive of premium aggregating to Rs. 1,802.77 lacs including promoter's contribution of 4,00,000 equity shares for cash at a price of Rs. 45 inclusive of premium aggregating to Rs. 180.00 lacs. Thus net offer to the public is 36,06,150 equity shares of Rs. 10/- for cash at a price of Rs. 45 inclusive of premium aggregating to Rs. 1622.77 lacs. The Net Public Issue was 30.09% of the post issue paid up capital of the Company.

Promise V/s Performance:

Utilisation of proceeds of public/right issue of DFTL as on 30.9.2009 is as under:

(Rs. in Lacs)			
Sr. No.	Description	Total Estimated Cost	Deployed upto 30th September, 2009
I	Aurangabad Project		
	Building	120.00	102.95
	Plant and Machinery & Electrical	1365.50	844.75
	Miscellaneous Fixed Assets	329.36	
	Contingencies	185.00	
	Pre Operative Expenses	80.00	
II	Margin Money for working capital requirement for Aurangabad Project	50.00	
III	Conversion of unsecured loan into equity raised by company for setting up the Gandhidham Project from Nirved Traders Pvt. Ltd, Promoter Company	470.14	470.14
IV	To meet expenses of issue	300.00	276.42
	Total	2900.00	1694.26

As per the prospectus, the funds which were proposed to be deployed in the Aurangabad Project upto the quarter ended 30th September, 2008 was envisaged at Rs. 2129.86 Lacs consisting of Rs. 120 Lacs towards building and Rs. 2009.86 lacs towards Plant and Machinery, Electrical, Contingencies, Pre Operative Expenses and Margin Money for Working Capital . However, the actual amount spent towards these expenses is Rs. 102.95 Lacs and Rs. 844.75 Lacs respectively.

The machining project was envisaged to be set up for forgings for supplies to the auto and auto components sector, however, due to the overall slowdown in the economy, these sectors were adversely affected and the demand for machining work was further reduced. Due to these reasons the Company has slowed down the implementation of the project.

However, with the improvement in the overall sentiments in the Indian Economy, the Company has expedited the project implementation schedule and it's expected that the said machining project may be completed soon.

Pending utilization, the balance amount of Rs. 1170.70 Lacs is held in current/fixed deposit/liquid assets accounts.

Schedule of Implementation

Sr. No.		Activity	As per Prospectus -Commencement	As per Prospectus -Completion	Actual/ Expected
A	Civil Work	1. Preparation of building drawing & approval from GDA	Sep-07	Oct-07	Oct-07
		2. Finalization of Contractor	Sep-07	Sep-07	Sep-07
		3. Commencement of Civil Work	Oct-07	Jul-08	In Progress
B	Manpower	1. Recruitment	Oct-07	May-08	In Progress
		2. On the job training at site	Jul-08	Sep-08	In Progress
C	Plant & Machinery	1. Quotation from supplier	Jun-06	Sep-07	Aug-07
		2. Order Placement & Establishing L/C	Nov-07	Dec-07	Jan-08
		3. Delivery	Feb-08	Aug-08	In Progress
		4. Installation and Commissioning	Aug-08	Oct-08	In Progress
		5. Electrical Installation & Air conditioning	May-08	Aug-08	In Progress
E	Commencement of Commercial Production		Nov -08		April 2010
F	Government Approval	1. L.T. Connection	Nov-07	Jan-2008	In Progress
		2. Water Supply	Oct-07	Dec-07	In Progress

The Company manufactures cutting tools which are used by the automotive and auto component manufacturing companies. The machining project was envisaged to be set up for forgings for supplies to the auto and auto component companies, however due to overall slowdown in the economy, the auto and auto component industry was adversely affected. This resulted in lower off take of Company's products and the demand for machining work was further reduced. Hence the company has implemented about 60% of the project but had to temporarily slow down the implementation of the machining project which has resulted in a delay in the project schedule.

SALE AND TRANSFER OF SPECIFIED BUSINESS UNDERTAKINGS OF THE COMPANY

The Company was engaged in manufacturing of highly specialized cutting tools viz. broaches, hobs, shapers cutters and shaving cutters (gear cutting tools). The products of the Company were used by automotive, automotive components and engineering companies. There was no improvement in the demand pattern of the Company's products since last few years. These products were also subject to frequent obsolescence of technology. All these factors had put pressure on Company's margins leading to a mismatch in revenues and operational costs.

Therefore, the Board of Directors of the Company in their meeting held on 22nd January 2009, decided to focus on businesses which would help to achieve an optimum utilization of the existing resources in the same line of business including machining of castings (which is already under implementation) and approved the sale and transfer of the specified business undertakings of the Company to M/s. Motherson Advanced Tooling Solutions Limited.

The proposal was duly approved by requisite majority of the shareholders by passing a special resolution through the postal ballot process pursuant to the provisions of Section 293(1)(a) and Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.’

(6) BIRLA COTSYN (INDIA) LIMITED (BCIL)

Date of Incorporation	The Company was incorporated in the name of Jamod Ginning Company Private Limited on September 24, 1941 under the companies Act, 1956 in the state of Maharashtra. The name of the company was changed to Birla Agro Private Limited with effect from 8 th October, 1998. The name of the company was further changed to Birla Cotsyn (India) Private Limited with effect from 9 th December, 2005 and consequent to conversion into Public Limited Company it was subsequently changed to Birla Cotsyn (India) Limited with effect from May 30, 2006 .
CIN	U17110MH1941PLC003429
Registered Office	Dalamal House, First Floor, Nariman Point, Mumbai – 400 021.
Nature of Business	The Company was earlier engaged in Cotton Ginning, Pressing and Oil expelling and after the acquisition of assets of Khamgaon Syntex (I) Ltd at MIDC, Khamgaon with a spindle capacity of 18,304 spindles, with effect from August 2006, has entered into manufacturing of Synthetic yarn.

Board of Directors as on 30th September, 2009

Sr. No	Name	Designation
1	Mr. P.B. Bhardwaj	Chairman (Non Executive, Non Independent)
2	Mr. Yashovardhan Birla	Co- Chairman (Non Executive, Non Independent)
3	Mr. P.V.R. Murthy	Director (Non Executive, Non Independent)
4	Mr. Sanjay Agarwal	Director (Non Executive, Non Independent)
5	Mr. Mohandas Shenoy Adige	Independent Director
6.	Mr. Navin Chandra Shah	Independent Director
7.	Mr. Y. P. Trivedi	Independent Director
8.	Mr. Mohan Jaykar	Independent Director
9.	Mr. Alok Bhardwaj	Alternate Director (for Mr. P.B. Bhardwaj)

Details of Listing of Birla Cotsyn (India) Ltd

Year of Initial Listing	2008
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange and National Stock Exchange
Details of offering in last 3 Years	The company had come out with its IPO in June/ July 2008 by issuing 102,982,729 Equity shares of Rs.10 each for cash at a price of Rs.14/- per share aggregating to Rs.144.18 crores.
Date of opening and closing of Issue	30 th June 2008 and 9 th July 2008 respectively
Date of Allotment	22 nd July 2008
Date of Listing	30 th July 2008.
Listing Code	533006

Shareholding Pattern as on 30th September, 2009

Category of Shareholder	No. of Share holders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	1	21,000	-	0.02	0.02	-	-
Bodies Corporate	6	19,626,037	18,468,300	16.83	16.83	12,817,537	65.31
Any Others (Specify)	4	304,860	93,420	0.26	0.26	-	-
Trusts	3	211,440	-	0.18	0.18	-	-
Directors/Promoters & their Relatives & Friends	1	93,420	93,420	0.08	0.08	-	-
Sub Total	11	19,951,897	18,561,720	17.11	17.11	12,817,537	64.24
(2) Foreign							
Bodies Corporate	2	19,841,770	13,032,730	17.02	17.02	-	-
Sub Total	2	19,841,770	13,032,730	17.02	17.02	-	-
Total shareholding of Promoter and Promoter Group (A)	13	39,793,667	31,594,450	34.13	34.13	12,817,537	32.21
(B) Public Shareholding							
(1) Institutions							
(2) Non-Institutions							
Bodies Corporate	485	41,740,416	41,740,416	35.80	35.80	-	-
Individuals						-	-
Individual shareholders holding nominal share capital up to Rs. 1 lakh	21,784	18,527,837	18,527,367	15.89	15.89	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	200	15,321,163	15,321,163	13.14	13.14	-	-
Any Others (Specify)	314	1,217,727	1,217,727	1.04	1.04	-	-
Clearing Members	133	639,922	639,922	0.55	0.55	-	-
Non Resident Indians	179	565,440	565,440	0.48	0.48	-	-
Trusts	1	5,250	5,250	-	-	-	-
Directors & their Relatives & Friends	1	7,115	7,115	0.01	0.01	-	-
Sub Total	22,783	76,807,143	76,806,673	65.87	65.87	-	-
Total Public shareholding (B)	22,783	76,807,143	76,806,673	65.87	65.87	-	-

Total (A)+(B)	22,796	116,600,810	108,401,123	100.00	100.00	12,817,537	10.99
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	22,796	116,600,810	108,401,123	-	100.00	12,817,537	10.99

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchange.

Brief Audited Financial Performance:

(Rs. In Lacs)

Particulars	31.3.2009	31.3.2008	31.3.2007
Share Capital	11660.08	1361.81	1361.81
Share Application Money	0.00	3664.58	921.27
Reserves (Excluding Revaluation Reserve)	3981.62	923.42	856.76
Net Worth	15641.70	2285.23	2218.57
Sales	19377.44	8377.25	5351.41
PAT	211.79	166.32	256.97
EPS (Per Share) (Rs.)	0.23	1.22	1.89
NAV Per Share (Rs.)	13.41	16.78	16.29

Note: The share application money is not taken into account for calculating the Net Worth and NAV.

The stock market data of the BCIL on BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs in Lacs)
June 2009	7.96	5.12	2906724	176.10
July 2009	6.70	4.57	2208914	116.64
August 2009	7.45	5.81	3710000	250.30
September 2009	7.87	6.50	2362269	167.42
October 2009	9.75	0.86*	18350112	474.34
November 2009	0.95	0.78	18290500	159.45

(Source : www.bseindia.com)

The stock market data of the BCIL on NSE is as under:

Month	High (Rs.)	Low (Rs.)	No.of Shares Traded	Total Turnover (Rs. in Lacs)
June 2009	8.25	5.10	2403535	162.0512
July 2009	6.80	4.50	2298766	127.5677
August 2009	7.35	5.80	3193495	215.09
September 2009	7.95	6.50	1934634	137.68
October 2009	9.80	0.90*	40294473	733.67
November 2009	0.95	0.80	18597443	160.91

(Source : www.nseindia.com)

Note : *FV split into Rs.1/- per share wef 23rd October 2009

Other Details:

Public or rights Issue in the preceding three years	Yes
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	No

There are no defaults in meeting any statutory/bank/institutional dues except details given in Legal and Other Informations. No proceedings have been initiated for economic offences against the Company

The company had come out with its IPO in June/ July 2008 by issuing 102,982,729 Equity shares of Rs.10 each for cash at a price of Rs.14/- per share aggregating to Rs.144.18 crores to finance the expansion of company's integrated textile project and to set up a garment manufacturing plant & to establish retail outlets. The said issue opened for subscription on 30th June 2008 and closed on 4th July 2008. The issue was fully subscribed and the basis of allotment was finalized in consultation with the Bombay Stock Exchange Ltd. and the new equity shares were listed on BSE with effect from 30th July 2008.

Promise v/s Performance:

The details of utilization of the funds received from IPO of equity shares as on 30.9.2009 (aggregating to Rs. 144.18 crores) are as under:

(Rs. in Crores)

Sl. No.	Particulars	Estimated Utilisation Amount	Actual Utilisation Amount upto September 2009
1	Expansion of integrated Textile Project at Khamgaon and Malkapur	105.77	82.77
2	Setting up of Garment Manufacturing unit	25.21	11.60
3	Establishing retail unit	5.80	2.01
4	Expenses relating to IPO	7.40	7.40
	Total	144.18	103.78

The project consisted of three phases, namely Phase 1 for setting up of 36000 cotton spindle yarn manufacturing unit at Malkapur and Phase 2 for manufacture of open end rotor based cotton yarn. The company has commissioned the spinning unit of 36000 spindles and the open end project. The weaving of grey fabric unit which is also part of Phase 2 is under progress and the installation of machinery is under way.

The processing plant which is part of Phase 3 for manufacture of finished cloth is under process.

The setting up of apparel manufacturing plant and retail outlets will be undertaken after the completion of Phase 3.

The delay in the implementation is mainly on account of the overall slowdown in the global and Indian economy, which resulted in reduction in consumer spending.

Pending full utilization, the balance amount is being held in current accounts for timely availability of resources when required.

Schedule of Implementation for Integrated Textile Project

Phase I

Particulars	As per Project Appraisal		As per the revised schedule	
	Commencement	Completion	Commencement	Completion
Land	Already acquired		Already acquired	
Land Development & building construction	January 06	March 07	August 07	Completed
Plant & Machineries order placement	March 07	December 06	August 06	Completed
Installation of Machineries	April 07	August 07	January 08	Completed
Trial Production	September 07	September 07	March 08	Completed
Commercial Production	October 07	October 07	April 08	Completed

Phase II

Particulars	As per Project Appraisal		As per the revised schedule	
	Commencement	Completion	Commencement	Completion
Land	Already acquired		Already acquired	
Land Development & building construction	March 07	September 07	August 07	Completed
Plant & Machineries order placement	March 07	April 07	March 07	Completed
Delivery at site	October 07	October 07	December 08	
Installation of Machineries	November 07	November 07	March 08	Completed
Trial Production	December 07		March 08	Completed
Commercial Production	January 08		March 08	Completed

Phase III

Particulars	As per Project Appraisal		As per the revised schedule	
	Commencement	Completion	Commencement	Completion
Land	Already acquired		Already acquired	
Land Development & building construction	January 08	March 08		Completed
Plant & Machineries order placement	March 08	April 08	September 07	Completed
Delivery at site	May 08	May 08	June 10	
Installation of Machineries	May 08	May 08	October 09	Completed
Trial Production	June 08		March 11	
Commercial Production	July 08		April 11	

RMG PROJECT (Setting up of new apparel manufacturing unit)

Sr. No.	Activity	Expected Month of Commencement	Expected month of Completion	Percentage Completed
Setting up of new apparel manufacturing unit				
a	Land acquisition		Completed	100%
b	Site Development	August 09	Completed	100%
c	Construction of Buildings	December 09	November 10	-
d	Plant and Machinery Order Placement	April 10	June 10	50%
e	Delivery	September 10	December 10	-
f	Installation	October 10	February 11	-
g	Trial Runs	February 11	March 11	-

(7) MELSTAR INFORMATION TECHNOLOGIES LIMITED (MITL)

Date of Incorporation	The Company was incorporated in the name of Sifa India Private Limited on August 12, 1986 under the Companies Act, 1956 in the state of Maharashtra. The name of the company was further changed to Melstar Information Technologies Private Limited with effect from March 22, 1994. The name of the company was subsequently changed to Melstar Information Technologies Limited with effect from July 28, 1994.
CIN	L99999MH1986PLC040604
Registered Office	Melstar House, G-4, MIDC Cross Road, 'A', Andheri – East , Mumbai – 400 093
Nature of Business	The company is engaged in the business of providing application support service, offers services that can be undertaken onsite, off-site, off-shore, or any combination thereof like Applications Development, Application Management, Product Based Solutions.

Board of Directors as on 30th September, 2009

Sl. No	Name of the Director	Status
1	Mr. Yashovardhan Birla	Promoter and Non-Executive Chairman
2	Mr. P V R Murthy	Non Executive and Non Independent Director
3	Mr. Anoj Menon	Independent and Non Executive Director
4	Mr. Rajesh Shah	Independent and Non Executive Director
5	Mr. M.S. Adige	Independent and Non Executive Director
6	Mr. S. M. Arora	Managing Director

Details of Listing

Year of Initial Listing	2000
Name of the Stock Exchanges where currently listed	Bombay Stock Exchange National Stock Exchange
Details of offering in last 5 Years	NIL
Listing Code	532307

Share Holding Pattern as on 30th September, 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Bodies Corporate	3	7,083,542	7,083,542	49.59	49.59	-	-
Sub Total	3	7,083,542	7,083,542	49.59	49.59	-	-
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	3	7,083,542	7,083,542	49.59	49.59	-	-
(B) Public Shareholding							
(1) Institutions							
Financial Institutions / Banks	1	100,000	100,000	0.70	0.70	-	-
Sub Total	1	100,000	100,000	0.70	0.70	-	-
(2) Non-Institutions							
Bodies Corporate	298	895,242	888,941	6.27	6.27	-	-
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	11,180	4,615,932	4,406,737	32.32	32.32	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	31	790,181	790,181	5.53	5.53	-	-
Any Others (Specify)	111	798,242	738,192	5.59	5.59	-	-
Foreign Nationals	2	208,320	164,897	1.46	1.46	-	-
Non Resident Indians	47	283,329	267,802	1.98	1.98	-	-
Clearing Members	53	305,493	305,493	2.14	2.14	-	-
Hindu Undivided Families	9	1,100	-	0.01	0.01	-	-
Sub Total	11,620	7,099,597	6,824,051	49.71	49.71	-	-
Total Public shareholding (B)	11,621	7,199,597	6,924,051	50.41	50.41	-	-
Total (A)+(B)	11,624	14,283,139	14,007,593	100.00	100.00	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	11,624	14,283,139	14,007,593	-	100.00	-	-

The Company complies with clause 40A of the Listing Agreement, complies with provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 and SEBI (Prohibition of Insider Trading) Regulations 1992 and not defaulted with payment of listing fees to Stock Exchanges.

Brief Audited Financial Performance:

Particulars	(Rs. in Lacs)		
	31.3.2009	31.3.2008	31.3.2007
Share Capital	1428.31	1428.51	1428.51
Reserves (Excluding Revaluation Reserve)	23.14	47.84	185.20
Net Worth	1451.45	1476.35	1613.71
Sales/ Total Income	1926.01	1677.55	1915.62
PAT	(113.14)	(134.79)	14.98
EPS (Per Share) (Rs.)	(0.79)	(0.94)	0.10
NAV Per Share (Rs.)	10.16	10.34	11.30

The Stock Market Data of MITL on BSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs in Lacs)
June 2009	16.00	12.00	143875	20.34
July 2009	12.95	10.05	145092	16.69
August 2009	15.18	10.15	237458	31.67
September 2009	14.80	11.85	140458	18.21
October 2009	12.50	10.70	89094	10.21
November 2009	11.70	10.00	83379	9.01

(Source : www.bseindia.com)

The Stock Market Data of MITL on NSE is as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded	Total Turnover (Rs. in Lacs)
June 2009	15.8	12.05	88844	12.41
July 2009	12.75	10.05	73361	8.41
August 2009	15.40	10.50	149950	19.43
September 2009	14.70	11.65	63106	8.06
October 2009	12.45	10.55	40735	4.69
November 2009	11.60	9.85	34380	3.70

(Source : www.nseindia.com)

Other Details:

Public or rights Issue in the preceding three years	NIL
Whether the company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up	No
Whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years	Yes

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

Pursuant to the Share Sale and Purchase Agreement dated 11th September, 2008 with the erstwhile promoters of the company and subsequent open offer thereon, the Yash Birla Group Companies and Persons Acting in Concert have acquired 43,93,817 equity shares from the erstwhile promoters and 2,854,622 equity shares from the members of the company in open offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, totally constituting 50.75% of the paid up share capital of the company. This transaction was completed on 22nd April 2009, and consequently the Yash Birla Group Companies became the new promoters and the Board of Directors of the company was accordingly reconstituted.

FINANCIAL INFORMATION OF UNLISTED GROUP COMPANIES:

1. BIRLA INTERNATIONAL PRIVATE LIMITED

Date of Incorporation	The company was incorporated as Vallabh Textile Mills Limited on April 15, 1963. Its name was changed to Maharashtra Commodity Trading Company Limited on January 13, 1970. Subsequently the word Private was added to its existing name on February 15, 1971, changing its name to Maharashtra Commodity Trading Company Private Limited . The company further changed its name to Birla International Limited on May 01, 1978. Consequently the name of the company was changed to Birla International Private Limited on February 21, 1991. The word Private was deleted on February 21, 1991. On April 20, 1999 the name of the company was again changed to Birla International Private Limited .
CIN	U99999MH1963PTC012630
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020
Nature of Business	At present the Company is engaged, amongst others, in trading of fire hose fittings, furnace oil, cast iron powder, generators, heavy duty angle grinder, raw wool etc. The Company is also a dealer in other items i.e. gunmetal couplings, cutting oil, purifier & coolers etc.

Board of Directors

Sl. No	Name	Designation
1.	Mr. Rajendra Prasad Todi	Executive Director
2.	Ms. Ashalata Mohta	Director
3.	Mr. Radheshyam Pratapchandji Malani	Director
4.	Mr. Nikhil Agarwal	Director

Shareholding Pattern as on 30th September, 2009

Sl. No.	Name of the Shareholders	No. of Shares Held	%age of Holding
1.	M/s. Godavari Corporation Pvt. Ltd	86,600	19.24
2.	Ms. Avanti Birla - C/o. Ashok. V. Birla HUF	50,000	11.11
3.	M/s. Shearson Investment & Trading Co. Pvt. Ltd	2,19,390	48.76
4.	Ms. Divya Mohta & Shearson Investment Trading Co. Pvt. Ltd	10	0.002
5.	Yash Society	40,000	8.89
6.	Sunanda Educational Society	35,000	7.78
7.	Ms. Avanti Birla & Mr. Arunkumar Singhi and Yash Birla Santati Kosh	19,000	4.22
	TOTAL	4,50,000	100.00

The brief audited financials are given below:

(Rs in Lacs)

Particulars	31.03.2009	31.03.2008	31.03.2007
Equity Share Capital	45.00	45.00	45.00
Reserves & Surplus (excluding revaluation reserve)	932.40	895.68	892.77
Share Holders Funds / Net Worth	977.40	940.68	937.77
Sales	2428.04	2539.57	7824.79
Profit / Loss After Tax	36.71	2.90	(112.71)
EPS of FV Rs. 10/- each	8.16	0.64	-ve
NAV per share of FV Rs. 10/- each	217.20	209.04	208.39

Other Details:

- a. The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- b. There are no defaults in meeting any statutory/bank/institutional dues except Rs 776239/- against Central Excise Duty which has not been deposited on account of dispute.
- c. No proceedings have been initiated for economic offences against the Company.

2. TUNGABHADRA HOLDINGS PRIVATE LIMITED

Date of Incorporation	The company was incorporated as Tungabhadra Holdings Private Limited on July 07, 1983.
CIN	U67120MH1983PTC030374
Registered Office	Dalamal House, 1st Floor, 206, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021
Nature of Business	The company produces high frequency induction welded pipes. The pipes produced are black and galvanized with size of 15 mm to 80 mm. The manufacturing facility is located at Tarapur district and the installed capacity is of 36000 tons per annum, with fully automatic imported pipe manufacturing and online galvanizing. The pipes produced are used in the building industry for water supply, bore well, structural general engineering, fencing, furniture, automobiles, and conduits etc.

Board of Directors

Sl. No.	Name	Designation
1.	Mr. Girdharilal Lath	Director
2.	Mr. Nirmal Kumar Chaudhari	Director

Shareholding Pattern as on 30th September, 2009

Sl. No.	Name of Shareholder	No. of Shares Held	%age of Holding
1.	Arun Kumar Singhi	10	-
2.	Kashi Prasad Chokhani	10	-
3.	Purushotam Sharma	10	-
4.	Shearson Investment & Trading Co. Pvt. Ltd.	2406000	47.77
5.	Nirved Traders Pvt. Ltd.	968400	19.23
6.	Asian Distributors Ltd.	1000000	19.86
7.	Godavari Corporation Ltd.	662000	13.14
	TOTAL	5036430	100.00

Brief Audited Financial Performance:

Particulars	(Rs. in Lacs)		
	31.03.2009	31.03.2008	31.03.2007
Share Capital	503.64	503.64	503.64
Reserves (Excluding Revaluation Reserve)	1510.54	1537.75	1498.53
Net Worth	2014.18	2041.39	2002.17
Sales	11792.67	5526.92	6521.75
PAT	27.62	39.01	30.07
EPS (Rs.)	0.55	0.77	0.60
NAV Per Share (Rs.)	40.00	40.53	39.75

Other Details:

- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- The company has not made a loss in the immediately preceding year.

- c. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company

3. BIRLA LIFESTYLE PRIVATE LIMITED

Date of Incorporation	The company was incorporated as Reverie Infodesigns Private Limited on June 08, 2000. The name of the company was changed to Birla Lifestyle Private Limited on February 16, 2001.
CIN	U72100MH2001PTC127099
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020
Nature of Business	The company has a chain of lifestyle stores in major cities of India. The stores aim at providing basic utilities required for home or office and small accessories too.

Board of Directors

Sl. No.	Name	Designation
1.	Ms. Kaajal Adarshveer Anand	Director
2.	Mr. Arun Kumar Gaganprasad Singhi	Director

Shareholding Pattern as on 30th September, 2009

Sl. No.	Name of the Shareholder	No. of Shares Held	%age of Holding
1.	M/s. Shearson Investment & Trading Co. Pvt. Ltd	4,24,750	49.97
2.	M/s. Nirved Traders Pvt. Ltd	4,24,750	49.98
3.	Mr. Arun Singhi	100	0.01
4.	Mr. K.P. Chokhani	100	0.01
5.	Mr.R.S. Malani	100	0.01
6.	Ms. Kaajal Anand	100	0.01
7.	Mr. Purushotam Sharma	100	0.01
	TOTAL	8,50,000	100.00

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.03.2009	31.03.2008	31.03.2007
Share Capital	85.00	85.00	85.00
Reserves (Excluding Revaluation Reserve)	(12.59)	34.02	39.54
Net Worth	72.42	119.02	124.54
Sales	39.59	88.68	108.94
PAT	(46.50)	(5.64)	4.86
EPS (Per Share) (Rs.)	-ve	-ve	0.57
NAV Per Share (Rs.)	8.52	14.00	14.65

Other Details:

- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- The company has made a loss in the immediately preceding year, i.e. the year 2008
- There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company

4. **BIRLA VIKING TRAVELS PRIVATE LIMITED (Formerly known as Viking Travels Pvt. Ltd.)**

Date of Incorporation	The company was incorporated as Viking Travels Private Limited on October 05, 1976. The name of the company was subsequently changed to Birla Viking Travels Private Limited on January 29, 2008.
CIN	U63040MH1976PTC019250
Registered Office	Queen's Mansion, Prescott Road, Mumbai – 400 001
Nature of Business	The company is a registered travel agent having membership of International Organizations like IATA, UFTA, and AAAL.

Board of Directors

Sl. No	Name	Designation
1.	Mr. Yashovardhan Birla	Director
2.	Ms. Avanti Yashovardhan Birla	Director
3.	Mr. Arun Kumar Singhi	Director
4.	Mr. Manish Malani	Director
5.	Mr. Girdharilal Lath	Director
6.	Ms. Kaajal Adarshveer Anand	Director

Shareholding Pattern as on 30th September, 2009

Sl. No.	Name of the Shareholder	No. of Shares Held	%age of Holding
1.	M/s. Birla Bombay Pvt. Ltd	4,500	1.50
2.	M/s. Nirved Traders Private Limited	62000	20.67
3.	M/s. Godavari Corporation Pvt. Ltd	104000	34.66
4.	M/s. Shearson Investment & Trading Co. Pvt. Ltd	1,11,400	37.13
5.	Mr. Yashovardhan Birla	12,600	4.20
6.	Sunanda Medical Institute	500	0.17
7.	Mr. Yashovardhan Birla & Ms. Avanti Birla C/o Mr. Ashok V Birla HUF	2,000	0.67
8.	Mr. S. S. Dalal	500	0.17
9.	Ms. Pravina S Dalal	500	0.17
10.	Mr. Sharad Ladha	1,000	0.33
11.	Ms. Smita Ladha	1,000	0.33
	TOTAL	3,00,000	100.00

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.03.2009	31.03.2008	31.03.2007
Share Capital	30.00	30.00	30.00
Reserves (Excluding Revaluation Reserve)	120.09	127.01	126.72
Net Worth	150.09	157.01	156.72
Income	152.25	201.15	137.24
PAT	2.03	0.29	4.00
EPS (Rs.)	0.68	0.10	1.33
NAV Per Share (Rs.)	50.03	52.34	52.24

Other Details:

- a. The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- b. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

5. BIRLA INFRASTRUCTURE LIMITED (Formerly known as BCI International Limited)

Date of Incorporation	The company was incorporated as BCI International Limited on January 22, 1977. The name of the company was subsequently changed to Birla Infrastructure Limited on August 01, 2008.
CIN	U5190MH1977PLC110245
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
Nature of Business	The Company is into real estate, construction, re-development of residential/commercial properties, schools, hospitals, factories etc.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1.	Mr. Bajranglal Ranmalram Varma	Whole - time Director
2.	Mr. Nikhil Agarwal	Director
3.	Mr. Girdharilal Lath	Director
4.	Mr. Purshotam Shankarlal Sharma	Director
5.	Mr. Rajendra Prasad Murarilal Todi	Director

Shareholding Pattern as 30th September, 2009 (Equity Shares of Rs.100 each)

Sl. No.	Name of the Shareholder	No. of Shares Held	%age of Holding
1.	Mr. Yashovardhan Birla	270	2.69
2.	Mr. Arun Singhi	10	0.10
3.	Mr. K.P. Chokhani	20	0.20
4.	M/s Birla International Pvt. Ltd	4789	47.75
5.	Mr. Arun Singhi & M/s Birla International Pvt. Ltd.	10	0.10
6.	Mr. K.P.Chokhani & M/s Birla International Pvt. Ltd	10	0.10
7.	M/s Shearson Investment & Trading Co. Pvt. Ltd	4909	48.94
8.	M/s. Nirved Traders Pvt. Ltd.	12	0.12
	TOTAL	10,030	100.00

Brief Audited Financial Performance:

Particulars	(Rs. In Lacs)		
	31.03.2009	31.03.2008	31.03.2007
Share Capital (FV Rs.100 each)	10.03	10.03	10.00
Reserves (Excluding Revaluation Reserve)	519.95	534.67	23.66
Net Worth	529.98	544.70	33.66
Income	498.01	220.74	774.25
PAT	(14.71)	11.15	0.78
EPS (Rs.)	-ve	111.17	7.80
NAV Per Share (Rs.)	5299.80	5447.00	336.60

Other Details:

- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- The company has made a loss in the year 2006.
- There are no defaults in meeting any statutory/bank/institutional dues, except as under:

- Income Tax appeal for the assessment year 2004-05 is pending before the ITAT.
- Income Tax appeal for the assessment year 2004-05 is pending before the CIT (Appeals).

6. BIRLA ELECTRICALS LTD

Date of Incorporation	The company was incorporated as Birla Electricals Limited on December 02, 1996. The certificate for commencement of business was received on December 24, 1996.
CIN	U29329DL1996PLC083540
Registered Office	901, Bhikaji Cama Bhawan, 11, Bhikaji Cama Palace, New Delhi – 110 066.
Nature of Business	The product offering of Birla Electricals include room heating system, air purifier, ice cream maker, blender, coffee maker, juicer, oven & toasters, cooking hobs, iron, mixer grinder, oil heaters, etc.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1.	Mr. Rajendra Prasad Murarilal Todi	Director
2.	Mr. Girdharilal Lath	Director
3.	Mr. Damodar Prasad Deora	Director

Shareholding Pattern as on 30th September 2009

Sl. No.	Name of the Shareholder	No. of Shares Held	%age of Holding
1.	Mr. Yashovardhan Birla	100	0.01
2.	Ms. Avanti Birla	100	0.01
3.	M/s. Asian Distributors Ltd.	75,000	9.99
4.	M/s. Godavari Corporation Pvt. Ltd	1,75,000	23.31
5.	M/s. Shearson Investment & Trading Co, Pvt. Ltd	2,00,000	26.65
6.	M/s. Nirved Traders Pvt. Ltd	1,50,000	19.98
7.	M/s Birla Bombay Pvt. Ltd	1,50,000	19.98
8.	Mr. Subhash Sonthalia	500	0.07
	TOTAL	7,50,700	100.00

Brief Audited Financial Performance:

Particulars	(Rs. in Lacs)		
	31.03.2009	31.03.2008	31.03.2007
Share Capital	75.07	75.07	75.07
Reserves (Excluding Revaluation Reserve)	(1090.16)	(1088.04)	(1087.13)
Net Worth	(1015.09)	(1012.97)	(1012.06)
Sales	883.63	124.94	127.16
PAT	(2.12)	(0.92)	0.32
EPS (Rs.)	-ve	-ve	0.04
NAV Per Share (Rs.)	-ve	-ve	-ve

Other Details:

- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- The company has made a loss in the immediately preceding three years.
- There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company

7. BIRLA CONCEPTS INDIA PVT LTD

Date of Incorporation	The company was incorporated as Birla Concepts India Private Limited on March 07, 2002.
CIN	U74999MH2002PTC135085
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
Nature of Business	The product offering of the company includes furniture and fixtures.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1.	Mr. Mustafa Eisa	Director
2.	Ms. Kaajal Adarshveer Anand	Director
3.	Ms. Rukshana Mustafa Eisa	Director

Shareholding Pattern of Equity Shares as on 30th September, 2009

Sl. No.	Name of the Shareholder	No. of Shares Held	%age of Holding
1.	Ms. Kaajal Anand	100	0.20
2.	Mr. Arun Singhi	100	0.20
3.	Mr. K.P. Chokhani	100	0.20
4.	Mr. Radheshyam Malani	100	0.20
5.	M/s. Godavari Corporation Pvt. Ltd	6,275	12.55
6.	M/s. Nirved Traders Pvt Ltd	6,275	12.55
7.	M/s. Shearson Investment & Trading Co. Pvt. Ltd	12,550	25.10
8.	Mr. Mustafa Eisa	24,000	48.00
9.	Ms. Rukshana Eisa	500	1.00
	TOTAL	50,000	100.00

Shareholding Pattern of Preference Shares as on 30th September, 2009

Sl. No.	Name of the Shareholder	No. of Shares Held	%age of Holding
1.	M/s Godavari Corporation Pvt. Ltd.	2,50,000	25.00
2.	M/s. Nirved Traders Pvt. Ltd	2,50,000	25.00
3.	M/s Shearson Investment & Trading Co. Pvt. Ltd.	5,50,000	50.00
	TOTAL	10,00,000	100.00

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.03.2009	31.03.2008	31.03.2007
Equity Share Capital	5.00	5.00	5.00
Reserves (Excluding Revaluation Reserve)	(69.19)	(49.46)	(17.80)
Net Worth	(64.19)	(44.46)	(12.80)
Sales	26.38	90.78	153.52
PAT	(19.53)	(31.66)	(42.99)
EPS (Rs.)	-ve	-ve	-ve
NAV Per Share (Rs.)	-ve	-ve	-ve

Other Details:

- a. The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- b. The company has made a loss in the year preceding the immediately previous year, i.e. 2007
- c. There are no defaults in meeting any statutory/bank/institutional dues except Rs 8828.00 for Sales Tax. No proceedings have been initiated for economic offences against the Company

8. BIRLA ACCUCAST LIMITED (Formerly known as Birla Perucchini Ltd)

Date of Incorporation	The company was incorporated as Birla Perucchini Limited on March 24, 1997 The name of the company was changed to Birla Accutech Cast Limited on July 03, 2008. Again on the October 07, 2008 the name of the company was changed to Birla AccuCast Limited .
CIN	L27100MH1997PLC109614
Registered Office	Dalamal House, 1st Floor, 206, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021
Nature of Business	The products of the company are SG Iron [Nodular], CG Iron and Grey Iron casting.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1	Mr .Subodh Mathur	Director
2	Mr. Tushar Dey	Director
3	Mr. Rajiv Natvarlal Gandhi	Director

Shareholding Pattern as on 30th September, 2009

Sl. No.	Name of Shareholder	No. of Shares Held	%age of Holding
1.	Mr Yashovardhan Birla	50100	0.74
2.	Ms Avanti Birla	100	0.00
3.	Godavari Corporation Pvt. Ltd.	482000	7.09
4.	Shearson Investment & Trading Co Pvt. Ltd	199800	2.94
5.	Dagger Forst Tools Ltd	2710000	39.85
6.	Nirved Traders Pvt. Ltd.	2160000	31.76
7.	Others	298000	4.38
8.	Stressed Assets Stabilisation Fund-IDBI	900000	13.24
	TOTAL	6800000	100.00

Detail of Optionally Convertible Preference Shareholders as on 30th September 2009

Sl. No.	Name of the shareholder	No. of Shares Held	%age of Holding
1.	Shearson Investment & Trading Co. Pvt. Ltd	5925926	100.00
	TOTAL	5925926	100.00

Brief Audited Financial Performance:

(Rs. in Lacs)

Particulars	31.03.2009	31.03.2008	31.03.2007
Equity Share Capital	680.00	680.00	680.00
Reserves (Excluding Revaluation Reserve)	(2934.56)	(2565.25)	(2470.99)
Net Worth	(2254.56)	(1885.25)	(1790.99)
Sales	2793.39	2724.85	1905.78
PAT	(369.30)	(94.26)	(88.47)
EPS (Per Share) (Rs.)	-ve	-ve	-ve
NAV Per Share (Rs.)	-ve	-ve	-ve

Other Details:

- a. The Company is a Sick Company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985. The company has filed reference under provisions of SICA (Special Provisions), 1985 on 1st April 2002 and subsequently the case got registered as case no. 702/2002 with BIFR, New Delhi. On the hearing held on 13/07/2005, BIFR has declared that the company is a sick company u/s 15 of SICA. Based on the directions given by BIFR in the hearing held on 13/07/2005 the Operating Agency (OA), IDBI Bank had submitted a draft Rehabilitation Scheme (DRS) on 13/05/2009. The same was circulated to the members on 12/11/2009 for objects/suggestions/ consents, if any. The next date of hearing by the Board is fixed for 02/02/2010. However the company is not under winding up.
- b. The company is a loss making entity.
- c. There are no defaults in meeting any statutory/bank/institutional dues as on 30th June, 2007.

9. Birla Bombay Pvt. Limited

Date of Incorporation	The company was incorporated as The Cotton Agents Private Limited as on September 26, 1923. The name of the company was further changed to Birla Bombay Private Limited on September 28, 1965.
CIN	U99999MH1923PTC001084
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
Nature of Business	The company is carrying on the business of financier, guarantor and is also dealing in shares and securities.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1.	Mr. Yashovardhan Birla	Director
2.	Mr. Manish Malani	Director
3.	Mr. G.L.Lath	Director
4.	Ms. Kusum Arun Kumar Singhi	Director

Shareholding Pattern of Equity Shares as on 30th September, 2009

Sl. No	Name of shareholders	No. of Shares Held	%age of Holding
1.	Mr. K.K. Birla	72	1.29
2.	Mr. Kumar Mangalam Birla	24	0.43
3.	Mr. S.K .Birla & Mr. C.K. Birla	72	1.29
4.	M/s. Shekavati Investment & Traders Ltd	160	2.86
5.	Hari Om Educational Institute	210	3.75
6.	Govind Education Institute	288	5.14
7.	Rukmani Birla Educational Institute	288	5.14
8.	Calcutta Hospital Institute	71	1.26
9.	Calcutta Medical Institute	76	1.36
10.	M/s. Godavari Corporation Pvt. Ltd	840	14.99
11.	M/s. Nirved Traders Pvt. Ltd.	703	12.55
12.	Mr. Yashovardhan Birla & Ms. Avanti Birla C/o Yash Birla Santati Kosh	346	6.18
13.	Mr. Yashovardhan Birla	558	9.96
14.	Mr. Yashovardhan Birla C/o. Mr. Ashok V. Birla HUF	635	11.33
15.	Yash Society	400	7.14
16.	M/s. Shearson Investment & Trading Co. Pvt. Ltd	857	15.31
	TOTAL	5,600	100.00

Shareholding Pattern of Preference Shares as on 30th September, 2009

Sl. No.	Name	No. of Shares Held	%age of Holding
1.	Yash Society	250	25.00
2.	Sunanda Medical Institute	361	36.10
3.	Sunanda Educational Society	247	24.70
4.	M/s Nirved Traders Pvt. Ltd.	142	14.20
	TOTAL	1,000	100.00

Brief Audited Financial Performance:

Particulars	(Rs in Lacs)		
	31.03.2009	31.03.2008	31.03.2007
Equity Share Capital	56.00	56.00	56.00
Reserves & Surplus (excluding revaluation reserve)	1582.34	1540.23	1424.53
Share Holders Funds / Net Worth	1638.34	1596.23	1480.53
Income	227.78	371.87	124.66
Profit / (Loss) After Tax	41.89	115.69	(71.28)
EPS of FV Rs. 1000/- each	748.04	2065.89	-ve
NAV per share of FV Rs. 1000/- each	29256.07	28503.93	26438.03

Other Details:

- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.

10. Birla Edutech Limited

Date of Incorporation	The company was incorporated as Birla Edutech Limited on November 07, 2008
CIN	U80301MH2008PLC188043
Registered Office	Dalamal House, 1st Floor, 206, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021
Nature of Business	The company has been incorporated to carry on the business of setting up schools, colleges, autonomous universities in India and abroad, developing multimedia educational content, provide services to schools, colleges, tutoring centres by supplying hardware, accessories.

Board of Directors as on September, 2009

Sl. No.	Name	Designation
1.	Mr. Yashovardhan Birla	Director
2.	Mr. P.V.R. Murthy	Director
3.	Mr. Nidigallu Sri Krishna	Director

Shareholding pattern as on 30th September, 2009

Sl. No.	Name	No. of Shares Held	%age of Holding
1.	Mr. Yashovardhan Birla	25000	50.00
2.	Mr. P.V.R. Murthy	4000	8.00
3.	Mr. Nidigallu Sri Krishna	4000	8.00
4.	Mr. G.L. Lath	4000	8.00
5.	Mr. Arun Singhi	4000	8.00
6.	M/s. Shearson Investments and Trading Company Pvt. Ltd.	4000	8.00
7.	M/s. Nirved Traders Pvt. Ltd.	5000	10.00
	TOTAL	50,000	100.00

Brief Audited Financial Performance

As the company has not yet started its commercial operations, there are no figures to report.

Other Details:

- The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company

11. Birla Global Corporate Private Limited*

Date of Incorporation	The company was incorporated as Zenith Agents Services and Exports Limited on October 18, 1977. The certificate of commencement of business was issue to the company on October 25, 1977. On July 11, 1980 the name of the company was changed to Indoasean Oceanic Exports Limited . Further the name of the company was changed to Birla Global Corporate Limited on October 03, 2005.
CIN	U51900MH1977PTC019921
Registered Office	Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.
Nature of Business	To engage in all kinds of Corporate Services of Consulting and advising such as Management Consulting, Human Resources Consulting, consulting on the ,mergers and acquisitions, Merchant Banking, Public Relations Activities, Legal Consultancy, Financial matters, Consulting on the various types of Loans, Managing All kind of issue of shares, debentures or other securities of the Companies, to deal with and consulting into various financial instruments, futures, options etc., to engaged or employ as a broker, commission agent and underwriter.

Note: * The fresh certificate of incorporation is yet to be received by the company, pursuant to which the name of the Company would be changed to Birla Global Corporate Private Limited.

Board of Directors as on 30th September, 2009

Sl. No.	Name	Designation
1.	Mr. Girdharilal Lath	Director
2.	Mr. Tushar Dey	Director
3.	Mr. Purushotam Shankarlal Sharma	Director

Shareholding pattern as on 30th September, 2009

Sl.No.	Name	No. of Shares Held	%age of Holding
1.	M/s. Godavari Corporation Pvt. Ltd.	28690	28.69
2.	M/s. Birla International Pvt. Ltd.	26500	26.50
3.	M/s. Shearson Investments & Trading Co. Pvt. Ltd.	44760	44.76
4.	Mr. G.L. Lath	10	0.01
5.	Mr. Arun Kumar Singhi	20	0.02
6.	Mr. K.P. Chokhani	10	0.01
7.	Mr. G.L. Lath & M/s. Godavari Corporation Pvt. Ltd.	10	0.01
	TOTAL	100000	100.00

Brief Financial Performance

Particulars	(Rs in Lacs)		
	31.03.2009 (Unaudited)	31.03.2008 (Audited)	31.03.2007 (Audited)
Equity Share Capital	10.00	10.00	10.00
Reserves & Surplus (excluding revaluation reserve)	(13.02)	(14.02)	(7.01)
Share Holders Funds / Net Worth	(3.02)	(4.02)	2.99
Income	679.70	628.28	337.15
Profit / (Loss) After Tax	1.00	(7.00)	(5.64)
EPS	1.00	-ve	-ve
NAV	-ve	-ve	2.99

Other Details:

- a. The company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- b. The company has incurred losses.
- c. Qualification in the Auditors Report for the year ended 31.03.2008
 1. In accordance with the requirement of AS 15, the company has this year provided the liability towards compensated absences (leave pay) on actuarial valuation carried out using the Projected Accrued Benefit Method amounting to Rs. 5,42,145 as against the past practice of accounting it on cash basis, consequently loss for the year is higher by equivalent amount.
 2. Pending confirmation & reconciliation of balance and Sundry debtors, various lenders, Sundry creditors, advances and its effect, if any, on the revenue as detailed in the note are as disclosed by the books of accounts.

Other relevant details about the group companies:

1. There are no sales or purchase between companies in the Promoters' group, wherein such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of the Issuer Company. The material items of income or expenditure arising out of transactions in the Promoters' group are disclosed under "Related Party Disclosures" as mentioned under Annexure XV of the Auditors' Report appearing on page no.178 of this RHP.

CHANGE IN ACCOUNTING POLICIES IN THE LAST THREE YEARS:

There has been no change in the accounting policies of the company in the last 3 years.

CHANGE IN ACCOUNTING PERIOD

There has not been any change in the accounting period of the company.

Common Pursuits

There are no common pursuits between our company and our group companies / promoter companies.

FULL PARTICULARS OF THE NATURE AND EXTENT OF THE INTEREST, IF ANY, OF EVERY PROMOTER:

Neither the Promoters nor the Firms or Companies in which they are members have any interest in the business of our Company, except to the extent of investments made by them and their group / investment companies in our Company and earning returns thereon. None of the Promoters or the firms or companies in which they are members has any interest in any property acquired by the Company within two years of the date of this RHP or proposed to be acquired by it. The promoters are also interested in our Company to the extent of their shareholding, for which they are entitled to receive the dividend declared if any, by our Company.

PAYMENT OR BENEFIT TO PROMOTERS OF OUR COMPANY:

Other than the salary and remuneration of the Promoter Directors, referred to in the section titled “Compensation to Whole-time Directors” on page 76 of this RHP, there are no payment or benefit to promoters of our Company.

RELATED PARTY TRANSACTIONS AS PER THE FINANCIAL STATEMENTS

The other details of related party transactions please refer to Annexure XV of the Financial Statement on page 178 of this RHP

COMPANIES FROM WHICH THE PROMOTERS HAVE DISASSOCIATED THEMSELVES IN THE LAST 3 YEARS

One of the promoter, Mr. Yashovardhan Birla and his group had 33% of share holding in 3M India Ltd. (earlier known as Birla 3M Limited). This was reduced to 7.5% in 1998 and to less than 1% as on 30th June 2007. The YBG has no controlling stake in the company since 1998. In 1993, Mr. Birla was appointed as non-executive Chairman of the company and in June 2007 he has resigned from the said Chairmanship. As on date neither Mr. Birla nor any of his group companies are associated with 3M India Ltd.

CURRENCY OF PRESENTATION

In this Red Herring Prospectus, unless the context otherwise requires, all references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “million” means “Ten Lacs” and the word “Crore” means “ten million” and the word “billion” means “One thousand million and the word “trillion” means “One thousand billion”. Throughout this Red Herring Prospectus, all the figures have been expressed in lacs of Rupees, except when stated otherwise.

In this RHP, all references to “Rupees” and “Rs.” and “Indian Rupees” are to the legal currency of the Republic of India; all references to “U.S. Dollars” and “US\$” are to legal currency of the United States.

In this Offer Document, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

DIVIDEND POLICY

The Company may, in General Meeting declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

The Board may also, from time to time, pay to the members such interim dividend as in their judgment the position of the Company justifies.

SECTION VII - FINANCIAL STATEMENTS

The Board of Directors

BIRLA SHLOKA EDUTECH LIMITED.

Dalamal House,
First Floor,
206, Jamnalal Bajaj Marg,
Nariman Point,
Mumbai - 400 021

Dear Sirs,

We have examined the Financial Information of **BIRLA SHLOKA EDUTECH LIMITED** (formerly known as Shloka Infotech Limited) [hereinafter referred to as 'the Company'] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Prospectus in connection with the proposed follow on Public Offer of Equity Shares of the Company.

In terms of the requirement of:

- a. Paragraph B (1) of Part – II of Schedule II to the Companies Act, 1956,
- b. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on September 3rd, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, 'SEBI (ICDR) Regulations';
- c. The appointment letter dated July 1, 2009, requesting us to issue a report as Statutory Auditors relating to the Prospectus being issued by the Company in connection with the follow on Public Offer of Equity Shares of the Company.

Financial Information as per audited financial Statements :

- a. We have examined the accompanying 'statement of adjusted Profits and Losses' (Annexure - I) for the five financial years ended 31st March 2005 and 2006 on stand alone basis, 2007, 2008 and 2009 and for the six months ended 30th September, 2009 on consolidated basis and the 'statement of adjusted assets and liabilities' (Annexure – II) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (Annexure - III & IV) thereon, which are the responsibility of the Company's management, have been extracted from the financial statements for the financial year ended 31st March 2005 audited by M/s D. L. Arora & Co, Chartered Accountants being the auditors for that year and for the years ended 31st March 2006, 2007, 2008 and 2009 and for the six months ended 30th September, 2009 audited by us, approved by the Board of Directors and adopted by the Members in those respective financial years. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by M/s D. L. Arora & Co and upon which we have placed our reliance while reporting.
- b. We report as under:-
 - (i) The statement of adjusted profits and/or losses, and the assets and liabilities of the Company as at the end of each of the five financial years ended 31st March 2005, 2006, 2007, 2008 and 2009 and for the six months ended 30th September, 2009, reflect the profits and losses and assets and liabilities extracted from the Profit and Loss Accounts and Balance Sheets for the financial years ended 31st March 2005 audited by M/s D. L. Arora & Co, Chartered Accountants being the auditors for that year and for the years ended 31st March 2006, 2007, 2008 and 2009 and for the six months ended 30th September, 2009 audited by us, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of "the SEBI (ICDR) Regulations ,"

- (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Part – II of Schedule II of the Companies Act, 1956, and the SEBI (ICDR) Regulations.

Other Financial Information :

We have also examined the following other financial information relating to the Company proposed to be included in the Prospectus, extracted from each of the financial years ended 31st March 2005 audited by M/s D. L. Arora & Co, Chartered Accountants being the auditors for that year and for the years ended 31st March 2006, 2007, 2008 and 2009 and for the six months ended 30th September, 2009 audited by us :-

- i) Statement of the Cash Flow of the Company (Annexure - V)
- ii) Details / Analysis of Outstanding Secured & Unsecured Loans taken by the Company (Annexure - VI & VII).
- iii) Adjusted statement of investments (Annexure - VIII)
- iv) Age-wise analysis of Sundry Debtors and details of Loans and Advances (Annexure – IX & X)
- v) Details of Other Income (Annexure - XI)
- vi) Statement of Dividend paid (Annexure - XII)
- vii) Capitalization Statement (Annexure -XIII)
- viii) Summary of Accounting Ratios based on adjusted profits relating to the earning per share, net asset value and return on net worth (Annexure – XIV)
- ix) Related Party Transactions (Annexure - XV)
- x) Statement of Segment Reporting (Annexure - XVI)
- xi) Statement of Tax Shelter (Annexure - XVII)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by us or by the other firm of Chartered Accountants, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of Birla Shlokha Edutech Limited, for the purpose of its inclusion in the said Prospectus in connection with the proposed follow on Public Offer of the Equity Shares of the Company.

This report may not be used or relied upon by or disclosed, referred to or communicated by yourself (in whole or in part) to any third party for any purpose other than the stated use, except with our written consent in each instance and which consent may be given only after full consideration of the circumstances at that time.

For and on behalf of
LKM & CO
Chartered Accountants

Laxmikant Malpani
Proprietor

Membership No. 106989

MUMBAI
Date: 11th December 2009

Annexure I

Summary Statement of PROFIT AND LOSS ACCOUNT, AS RESTATED

(Amount in Rupees)

Particulars	For six months ended 30 th September, 2009	For the year ended 31 st March						
		2009*	2008*	2008 (standalone)	2007*	2007 (standalone)	2006	2005
				as a % of amalgamated entity		as a % of amalgamated entity		
INCOME								
Sales	646,419,451	1,040,094,721	391,706,247	98.03	26,087,300	21.76	10,667,647	10,514,992
Other Income	69,160	69,381	109,671	3669.33	4,457,095	106.68	22,265	1,510,118
Increase/(Decrease) in Stock	(6,043)	101,400	624,714	4.02	(1,330,856)	7.70	(2,976)	34,648
Total Income	646,482,568	1,040,265,502	392,440,632	98.88	29,213,539	35.36	10,686,936	12,059,758
EXPENDITURE								
Purchases & Direct expenses	615,917,680	1,014,475,578	366,598,187	98.81	8,259,411	6.93	3,321,965	3,893,962
Staff Cost	4,549,869	8,375,809	9,694,285	68.10	6,693,330	45.35	2,112,468	2,382,576
Administrative & Other Expenses	4,212,227	4,637,818	5,267,654	82.26	6,278,064	46.93	1,337,913	2,351,050
Selling & Marketing Expenses	621,590	2,860,060	1,772,082	72.10	2,566,275	28.34	967,772	67,517
Finance Expenses	1,469,453	466,277	1,531,947	13.62	601,585	2.71	10,850	10,861
Depreciation	5,033,602	4,790,591	3,415,087	68.36	3,796,013	65.96	2,395,833	2,160,615
Preliminary expenses written off	129,460	258,921	131,177	0.00	-	-	-	-
Balances Written off	146,010	442,217	222,107	0.00	153,348	0.00	13,253	103,245
Total Expenditure	632,079,891	1,036,307,271	388,632,526	97.01	28,348,026	34.58	10,160,054	10,969,826
Profit before Taxation	14,402,677	3,958,231	3,808,106	289.70	865,513	60.97	526,882	1,089,932
Less: Provision for Taxation:								
Current	2,500,000	314,360	772,533	45.31	6,338	0.00	-	-
Deferred	4,338,747	498,397	(775,763)	100.00	(71,254)	100.00	51,981	535,770
Profit after Taxation	7,563,930	3,145,474	3,811,336	300.62	930,429	64.38	474,901	554,162

Note 1: * For the Amalgamated entity as a whole

Note 2 : The figures for the financial years ended as on 31st March 2005 and 2006 are given on stand alone basis and for the financial years ended as on 31st March, 2007, 2008 and 2009 and for the six months ended 30th September, 2009 are presented on consolidated basis, revised after consolidating the financials of Shloka Academy Pvt. Ltd, Shloka Finance consultancy Pvt. Ltd, Shloka Graphics Pvt. Ltd, Shloka Peripheral Pvt. Ltd, Shloka Publications Pvt. Ltd and Shloka Software Pvt. Ltd with Shloka Infotech Limited.- in accordance with the scheme of amalgamation sanctioned by the Honourable High Court of Mumbai on 27th June 2008 with effect from 1st April, 2006.

Annexure II

Summary Statement of Assets & Liabilities as restated

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March						
		2009*	2008*	2008 (standalone) as a % of amalgamated entity	2007*	2007 (standalone) as a % of amalgamated entity	2006	2005
Fixed Assets :								
Gross Block	155,606,357	99,430,913	92,090,075	31.88	88,768,044	29.25	22,114,971	15,345,728
Less: Accumulated Depreciation	30,777,435	25,743,833	22,089,282	58.61	16,797,348	63.34	8,311,016	5,157,440
Net Block (A)	124,828,922	73,687,080	70,000,793	23.45	71,970,696	21.30	13,803,955	10,188,288
Investments (B)	-	-	-	-	-		914,140	1,714,140
Current Assets , Loans & Advances:								
Inventories	2,789,614	2,795,657	2,694,257	1.19	2,069,777	0.35	109,672	112,649
Sundry Debtors	656,872,426	204,839,437	80,899,596	90.54	14,568,377	14.63	4,195,169	3,326,793
Cash & Bank Balances	276,746	8,099,866	1,382,338	77.77	690,747	94.69	1,659,746	29,852
Other current assets	7,987,690	8,235,216	37,151,929	99.57	4,442,834	97.15	4,344,937	11,637,851
Loans & Advances	44,360,102	28,132,481	9,801,700	26.82	17,897,390	43.80	3,780,502	2,013,670
TOTAL (C)	712,286,578	252,102,657	131,929,820	86.39	39,669,125	37.68	14,090,026	17,120,815
Total (A+B+C)	837,115,500	325,789,737	201,930,613	64.57	111,639,821	27.12	28,808,121	29,023,243
Less: Liabilities & Provisions:								
Secured Loans	33,865,420	7,869,505	7,510,983	0.00	7,184,023	0.00	-	-
Unsecured loans	51,552,629	65,020,733	64,677,442	54.59	29,431,280	3.05	909,000	899,000
Deferred Tax Liabilities	4,980,965	642,218	143,821	77.41	919,584	96.47	958,347	906,366
Current Liabilities	614,071,565	180,295,047	62,713,425	89.67	7,782,518	15.86	282,899	1,034,903
Provisions	4,473,033	1,483,735	1,443,968	100.00	1,005,000	100.00	1,005,000	1,005,000
TOTAL (D)	708,943,612	255,311,238	136,489,639	68.21	46,322,405	8.69	3,155,246	3,845,269
NET WORTH (A+B+C-D)	128,171,888	70,478,499	65,440,973	56.99	65,317,416	40.19	25,652,875	25,177,974
Represented By:								
Share Capital	59,986,000	59,986,000	59,986,000	63.32	59,986,000	63.32	37,986,000	37,986,000
Share Application Money	50,000,000	-	-	-	-	-	-	-
Reserves & Surplus	20,386,702	12,822,773	6,400,000	0.11	6,400,000	0.11	7,000	7,000

Less: Misc. Expenses not written off	2,200,814	2,330,274	945,027	0.00	1,068,584	0.00	-	-
Less: Profit & Loss A/c	-	-	-	-	-	-	12,340,125	12,815,026
NET WORTH	128,171,888	70,478,499	65,440,973	56.99	65,317,416	40.19	25,652,875	25,177,974

Annexure III

SIGNIFICANT ACCOUNTING POLICIES

1. Consolidation of Accounts of Amalgamated Companies

- a. The account of Birla Shloka Edutech Limited (formerly known as Shloka Infotech Limited) has been revised after consolidating the financials of Shloka Academy Pvt. Ltd., Shloka Finance Consultancy Pvt. Ltd., Shloka Graphics Pvt. Ltd., Shloka Peripheral Pvt. Ltd., Shloka Publications Pvt. Ltd. and Shloka Software Pvt. Ltd. with Shloka Infotech Limited. The Honorable High Court of Mumbai against petition no. 900 – 906 of 2007 and application no 941 of 2007, sanctioned the Scheme of Amalgamation on 27th June 2008.
- b. The arrangement as per the Scheme, read as follows:
 - i. All the Companies, mentioned above will be amalgamated w. e. f. 1st April 2006.
 - ii. As per the Scheme, in consideration of the transfer and vesting of the undertaking of the transferor Companies in the transferee Company, in terms of this scheme, the Transferee Company shall issue and allot in following ratio:

Sr. No.	No. of equity shares of Rs.10 each in Birla Shloka Edutech Ltd.	In exchange of no. of equity shares	In Transferor Co.
a	17	10	Shloka Academy Pvt. Ltd.
b	33	10	Shloka Fin-Con Pvt. Ltd
c	2	10	Shloka Graphics Pvt. Ltd.
d	2	10	Shloka Peripheral Pvt. Ltd
e	2	10	Shloka Publications Pvt. Ltd.
f	2	10	Shloka Software Pvt. Ltd.

- c. Record Date has been fixed by the Board of the Transferee Company. New equity shares, on allotment, rank pari passu in all respects with the existing equity shares of the Transferee Company except that it shall rank pari passu for dividend for the period commencing from 1st April, 2006 onwards.
- d. Employees of transferor Companies will be transferred to the amalgamated Company on their existing terms and conditions of employment and will not be deprived of any benefit because of this transfer.
- e. All agreements, contracts or any other legal binding will become the responsibility of the merged Company. All legal cases of the transferor Companies, pending in any court of law under any act or against or for any department, will vest with the amalgamated Company.

2. Basis of Preparing Financial Statements.

The Company prepares its accounts on accrual basis, in accordance with the normally accepted accounting principles and in compliance with the accounting standards referred to in Section 211 (3C) and other requirements of the Companies Act, 1956.

3. Sales And Service Income

Income from sales and services are net of taxes.

4. Revenue Recognition

Revenue is recognized, net of returns and trade discounts, on services to students and is reflected in the accounts at gross realizable value. Other income and interest are accounted on accrual basis.



5. Retirement Benefits

Gratuity and Leave Encashment benefits are accounted for, on cash basis of accounting. Amount involved, does not materially affect the accounts of the Company.

6. Fixed Assets

Fixed Assets are stated at cost less depreciation. Company has been engaged in the development of education software called “XL@School” pertaining to modules on various subject recognized by various education board. In current year all expenditure pertaining to software has been capitalized. However the some development of the said software has not yet reached the stage of finality as a result no depreciation has been provided on XL@School Software WIP.

7. Depreciation

Depreciation on assets is provided on WDV method at the rate prescribed in Schedule XIV of the Companies Act, 1956.

8. Inventories

Inventories are valued at cost or market price whichever is lower.

9. Borrowing Cost

All borrowing costs are charged to revenue.

10. Provision For Current And Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

Annexure IV

MAJOR NOTES FORMING PART OF THE ACCOUNTS

1. Accounting treatment followed for consolidation of books of accounts of all transferor companies in the books of the company is as per high court order dated 27th June 2008 along with scheme of amalgamation annexed thereto. Accordingly following accounting treatment as suggested by scheme of amalgamation is given in books of accounts of the company during financial year 2008-09:
 - a. The excess / deficit of book value of assets of the of the transferor company companies as on the appointed date over the (i) book value of the liabilities of the transferor companies appearing in the books of accounts on the appointed date, (ii) book value of the reserves of the transferor companies appearing in the books of accounts as on the appointed date and (iii) paid up value of the shares issued to the shareholders of the transferor companies as per the stipulated exchange ratio is debited to an account styled as “Goodwill Account”.
 - b. Aggregate of balances of all reserves in the company as on the effective date and after taking over reserves from the transferor companies (including balance in the profit & loss account, Revaluation reserve account, save for securities premium account as on the appointed date) is credited by the company to “Amalgamation Reserve Account”
 - c. Amount standing to the credit of amalgamation reserve account has been set off against the balance standing to the goodwill account and balance in goodwill account is shown as a part of fixed assets.
2. The Company has a system of periodically reconciling outstanding balances of Sundry Debtors, Sundry Creditors, Advances and Deposits; and on such reconciliation the necessary adjustments are made in the accounts. Consequently balances as at the end of the year are as per books of accounts.
3. In the opinion of the Board, current assets, loans & advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated.
4. Managerial remuneration: Company has appointed its Managing Director, Mr. Sri Krishna with effect from 1st June 2009 with a monthly remuneration of Rs 2,50,000/-

5. **Deferred Tax:**

In accordance with the requirements of Accounting Standard 22 on “Accounting for taxes on Income “ issued by Institute of Chartered Accountant of India, the company has given effect to Deferred tax accounting. Break up of deferred tax assets/liabilities for the year ended 31st March, 2009 and for the six months period ended 30th September 2009 are as under:-

Particulars	(Amount in Rupees)	
	As at 30.09.09	As at 31.03.09
Deferred Tax Liability on account of		
1. Depreciation	4,848,956	554,212
2. Preliminary expenses	132,009	88,006
Deferred Tax Assets	-	-
Total	4,980,965	642,218

6. **Statutory Dues:**

According to the records of the company, undisputed statutory dues including PF, Service Tax, Cess and other statutory dues have been regularly deposited with the appropriate authorities excepting service tax of Rs. 46.90 lakhs and VAT of Rs. 6.50 Lakhs which is overdue.



7. All other information as required by schedule VI to the companies Act, 1956, has not been given as the same are not applicable.
8. There are no material contingent liabilities ascertained as on 30th September 2009.
9. The Company has discontinued its publication segment and is fully operating in one segment namely “Infotech” hence segmental reporting as required by Accounting Standard 17 is not applicable.

10. Earning Per Share

(Amount in Rupees)

Particulars	For six months ended 30th September 2009	For the Year ended 31st March 2009
Net profit as per Profit & Loss Account	7,563,930	3,145,474
Number of Equity Shares of Rs. 10 each	5,998,600	5,998,600
EPS (Rs.)	1.26	0.52

Annexure V

Statement of Cash Flow as restated:

(Amount in Rupees)

Particulars	For the six months ended 30 th September, 2009	For the year ended 31 st March				
		2009	2008	2007	2006	2005
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit/(Loss) before Taxation & extraordinary items	14,402,677	3,958,231	3,808,106	865,513	526,882	1,089,932
Adjustments for :						
Depreciation	5,033,602	4,790,591	3,415,087	3,796,013	3,153,576	2,160,615
Profit on sale of investment	-	-	-	(4,365,019)	-	-
Net Loss/Profit on sale of asset	-	(8,152)	-	38,071	-	(877,754)
Preliminary expenses written off	129,460	258,921	131,177	-	-	-
Operating Profit before Working Capital Changes Adjustment for:	19,565,739	8,999,591	7,354,370	334,578	3,680,458	2,372,793
Trade & other receivable	(451,785,463)	(95,023,129)	(99,040,313)	(10,471,105)	4,657,706	6,103,615
Inventories	6,044	(101,400)	(624,481)	(1,960,105)	2,977	(34,648)
Trade payables	434,265,816	117,307,030	54,597,342	7,525,773	(752,004)	(49,404)
Other current liabilities	-	-	-	-	-	31,382
Net Cash from Operating Activities (A)	2,052,136	31,182,091	(37,713,083)	(4,570,859)	7,589,137	8,423,738
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase/Sale of fixed assets (Net)	(56,175,444)	(5,191,427)	(5,256,521)	(64,027,416)	(6,769,243)	(6,977,907)
Preliminary/ Misc. Expenses Capitalized	-	(1,644,166)	(7,620)	(1,068,584)	-	-
Investment	-	-	-	5,279,159	-	-
Net Cash used in Investing Activities (B)	(56,175,444)	(6,835,593)	(5,264,141)	(59,816,841)	(6,769,243)	(6,977,907)
CASH FLOW FROM FINANCING ACTIVITIES.						
Proceeds from Unsecured Loans (Net)	(13,468,102)	343,291	35,573,124	28,522,280	810,000	(1,712,615)
Proceeds from Bank borrowings (Net)	25,995,915	358,521	-	7,184,023	-	-
*Issue of Equity Shares	-	-	-	22,000,000	-	-
Share Application money	50,000,000	-	-	-	-	-
Movement in Loans and Advances	(16,227,621)	(18,330,781)	8,095,690	(14,116,889)	-	-
*Addition to Reserve from transferor companies	-	-	-	19,829,287	-	-
Net Cash Receipt/ Used in Financing Activities (C)	46,300,192	(17,628,970)	43,668,815	63,418,701	810,000	(1,712,615)

**THE YASH BIRLA GROUP****BIRLA SHLOKA EDUTECH LTD**

Net Increase/ Decrease in Cash & Cash Equivalents (A + B + C)	(78,23,120)	6,717,528	691,591	(968,999)	1,629,894	(266,784)
Cash & Cash Equivalents As on beginning of year	8,099,866	1,382,338	690,747	1,659,746	29,852	296,636
Cash & Cash Equivalents As on end of year	2,76,746	8,099,866	1,382,338	690,747	1,659,746	29,852

***Note: Pursuant to the scheme of Amalgamation sanctioned by the Hon'able High Court of Bomabay, the assets and liabilities taken over from the transferor companies are shown as addition in the respective heads of accounts and the shares issued and Reserves are shown separately.**



Annexure VI

Schedule of Secured Loans

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March				
		2009	2008	2007	2006	2005
CASH CREDIT						
Bank of India	33,515,697	7,490,150	-	-	-	-
Bank of Baroda	-	-	7,293,484	6,401,723	-	-
Total (A)	33,515,697	7,490,150	7,293,484	6,401,723	-	-
CAR LOAN						
ICICI Bank	-	-	217,500	782,300	-	-
Tata Finance	349,723	379,355	-	-	-	-
TOTAL (B)	349,723	379,355	217,500	782,300	-	-
TOTAL (A+B)	33,865,420	7,869,505	7,510,984	7,184,023	-	-

Annexure – VII Schedule of Unsecured Loan

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March				
		2009	2008	2007	2006	2005
Payable to Promoter / Promoter Group Companies*	49,052,629	65,020,733	64,627,442	29,287,280	815,000	805,000
Payable to Others	2,500,000	-	50,000	144,000	94,000	94,000
Total	51,552,629	65,020,733	64,677,442	29,431,280	909,000	899,000
*Promoter Group Co. Consist of :		-	-	-	-	-
Birla Global Corporate Limited	(2,369,631)	(2,369,631)	1,412,171	-	-	-
Birla Infrastructure Private Limited	9,744,177	9,744,177	9,744,177	9,426,000	-	-
Birla International Private Limited	18,250,990	18,250,990	16,978,070	17,861,280	815,000	805,000
Godavari Corporation Private Limited	4987172	13,512,172	2,600,000	2,000,000	-	-
Nirved Traders Private Limited	393,025	393,025	393,024	-	-	-
Shearsons Investment & Trading Co. Pvt. Ltd	18046896	25,490,000	33,500,000	-	-	-
Total	49,052,629	65,020,733	64,627,442	29,287,280	815,000	805,000

The Company has borrowed an amount of Rs.490.52 Lacs from the promoters/ promoter group companies on the following terms and conditions:

Sl. No.	Terms and Conditions	Particulars
1.	Rate of Interest	Nil
2.	Security	Unsecured
3.	Tenure	Repayable on demand

Annexure VIII

Schedule of Investments, as Restated

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March				
		2009	2008	2007	2006	2005
Long term Investments (at cost/ book value)	-	-	-	-	-	-
Unquoted	-	-	-	-	-	800,000
Quoted	-	-	-	-	914,140	914,140
Total	-	-	-	-	914,410	1,714,140
Of which Companies under the same Management						
Quoted:						
91414 Equity shares of Rs.10 each of Zenith Ltd, now known as Zenith Birla Limited	-	-	-	-	914,140	914,140
Unquoted:						
80,000 Equity shares of Rs.10 each of Birla Lifestyle Pvt. Ltd	-	-	-	-	-	800,000
Total	-	-	-	-	914,140	1,714,140
Book Value						
a) Aggregate of Quoted Investment	-	-	-	-	914,140	914,140
b) Aggregate of Unquoted Investment	-	-	-	-	-	800,000
Total	-	-	-	-	914,410	1,714,140
Market Value						
a) Aggregate of Quoted Investment	-	-	-	-	5,484,840	2,166,512
b) Aggregate of Unquoted Investment	-	-	-	-	-	800,000
Total	-	-	-	-	5,484,840	2,966,512



Annexure IX

Schedule of Debtors

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March				
		2009	2008	2007	2006	2005
Sundry Debtors						
Considered good – More than 6 months						
Receivable from Promoter/ Promoter Group Co. *	9,191,007	4,190,877	(182,092)	531,986	2,238,230	2,229,928
Receivable from others	195,152,422	63,894,030	38,563,061	13,962,703	(1,575,190)	618,568
Less: Provision	-					
TOTAL (A)	204,343,429	68,084,907	38,380,969	14,494,689	663,040	2,848,496
Considered good - Less than six months						
Receivable from Promoter/ Promoter Group Co*	-	5,054,937	6,455,546	27,832	627,803	433,084
Receivable from others#	193,317,807	131,699,593	36,063,081	45,856	29,04,326	45,213
Less: Provision	-					
TOTAL (B)	193,317,807	136,754,530	42,518,627	73,688	3,532,129	478,297
TOTAL (A+B)	397,661,236	204,839,437	80,899,596	14,568,377	4,195,169	3,326,793
*Promoter/ Promoter Group Company consists of						
Zenith Birla India Ltd.	4,981,481	5,075,113	93,632	305,603	308,154	408,220
Birla Power Solutions Ltd.	4,521,185	4,521,185	6,593,185	(124,815)	-	95,626
Birla Transasia Carpets Ltd.	11,974	-	-	349,113	396,852	128,710
Dagger Forst Tools Ltd.	(133,986)	(133,986)	(133,986)	307,628	-	(144,630)
Birla International Pvt. Ltd	-	-	-	-	1,842,639	1,841,512
Birla Accucast Limited	(364,346)	(364,346)	(364,346)	(368,174)	-	93,300
Others (for outstanding amount of less than one lakh)	174,699	147,848	84,969	90,463	318,388	240,274
Total	9,191,007	9,245,814	6,273,454	559,818	2,866,033	2,663,012

Note: *Parties as identified by the Management & relied upon by the Auditors

None of the sundry debtors, other than Promoter/ Promoter Group Companies is related to the Directors or promoters or the Issuer in any way.



Annexure X

Schedule of Loans & Advances, as restated

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31st March,				
		2009	2008	2007	2006	2005
Receivable from Promoter/ Promoter Group Companies *	7,351,177	3,327,484	1,827,485	9,459,888	3,567,174	1,666,157
Receivable from other body corporates	22,666,000	10,714,000	-	522,947	50,915	300,000
Advance tax including TDS & refund receivable @	4,516,794	4,858,803	641,275	4,442,834	1,548,291	1,527,431
Advances recoverable in cash or in kind or for value to be received	14,342,925	14,090,997	7,974,215	7,914,556	162,413	47,513
Deposits / Others @ #	3,470,896	3,376,413	36,510,653	-	2,796,646	10,110,420
Total	52,347,792	36,367,697	46,953,628	22,340,225	8,125,439	13,651,521
Note:						
*Promoter/ Promoter Group Co. consists of :						
Birla Transasia Carpets Ltd.	1,552,484	1,552,484	1,552,484	2,272,588	-	-
Birla Power Solutions Ltd.	1,675,000	1,675,000	175,000	175,000	-	-
Nirved Traders Pvt. Ltd.	100,000	100,000	100,000	100,000	-	-
Birla International Pvt. Ltd.	-	-	-	6,912,300	1,943,142	668,142
Shloka Academy Pvt. Ltd.	-	-	-	-	580,000	(168,864)
Shloka Graphics Pvt. Ltd.	-	-	-	-	100,000	347,887
Shloka Peripherals Pvt. Ltd.	-	-	-	-	-10,459	182,334
Shloka Publication Pvt. Ltd.	-	-	-	-	429,491	625,814
Shloka Software Pvt. Ltd.	-	-	-	-	525,000	10,844
Birla Edutech Ltd.	3,381,053					
Birla Surya Ltd	550,140					
Others (with less than Rs. 1 Lakh)	92,500					
Total	7,351,177	3,327,484	1,827,485	9,459,888	3,567,174	1,666,157

Note: 1. Parties as identified by the management & relied upon by the Auditors



2. @ are shown under Other Current Assets in the Balance sheet..
3. # None of the loans & advances, other than Promoter/ Promoter Group Companies is given to the relatives of the Directors or promoters or the Issuer.

Annexure XI**Other Income, Restated****(Amount in Rupees)**

Particulars	For the six months ended 30 th September, 2009	For the year ended 31 st March				
		2009	2008	2007	2006	2005
RECURRING						
Maintenance Contract Receipts	-	-	-	130,147	22,265	1,510,118
Other Miscellaneous Income	69,160	61,229	109,671		-	-
NON RECURRING						
Profit on Sale of Fixed Assets	-	8,152	-	(38,071)	-	-
Profit on Sale of Shares	-	-	-	4,365,019	-	-
TOTAL	69,160	69,381	109,671	4,457,095	22,265	1,510,118

Note:

- Details of other income are as per the summary statement of profit and loss, as restated.
- The classification of other income by the management into recurring and non-recurring is based on the current operations and business activities of the company.

Annexure XII**Statement of Dividend****(Amount in Rupees)**

Particulars	For the six months ended 30 th September, 2009	For the year ended 31 st March				
		2009	2008	2007	2006	2005
Equity shares						
Number of shares	5,998,600	5,998,600	5,998,600	5,998,600	37,98,600	37,98,600
Face value (Rs.)	10/-	10/-	10/-	10/-	10/-	10/-
Paid-up value (Rs.)	10/-	10/-	10/-	10/-	10/-	10/-
Rate of dividend	-	-	-	-	-	-
Total dividend (Rs)	-	-	-	-	-	-
Corporate dividend tax on above (Rs)	-	-	-	-	-	-



Annexure XIII

Statement of Capitalization

(Amount in Rupees)

Particulars	Pre issue as at 30 th September 2009	Adjusted for present issue
Borrowings :		
Short term Debts	-	-
Long term Debts	85,418,048	85,418,048
Total Debts	85,418,048	85,418,048
Shareholders Funds:		
Share Capital	[•]	[•]
Reserves & Surplus	[•]	[•]
Less: Misc. Expenses not written off		
Total Shareholders' Funds	[•]	[•]
Long term Debt/ Equity ratio	[•]	[•]

Annexure XIV

Significant Accounting Ratios

(Amount in Rupees)

PARTICULARS	For the six months ended 30 th September, 2009	For the year ended 31 st March				
		2009	2008	2007	2006	2005
EARNINGS PER SHARE (EPS)						
Net Profit after Tax	7,563,930	3,145,474	3,811,336	930,429	474,901	554,162
No. of Equity shares (weighted)	5,998,600	5,998,600	5,998,600	5,998,600	3,798,600	3,798,600
EARNINGS PER SHARE (EPS) (Rs.)	1.26	0.52	0.64	0.16	0.13	0.15
NET ASSETS VALUE (NAV)						
Net Assets	128,171,888	70,478,499	65,440,973	65,317,416	25,652,875	25,177,974
No. of Equity shares (weighted)	5,998,600	5,998,600	5,998,600	5,998,600	3,798,600	3,798,600
NAV / SHARE (Rs.)	21.37	11.75	10.91	10.89	6.75	6.63
RETURN ON NET WORTH						
Net Profit after Tax	7,563,930	3,145,474	3,811,336	930,429	474,901	554,162
Net Worth	128,171,888	70,478,499	65,440,973	65,317,416	25,652,875	25,177,974
RETURN ON NET WORTH (%)	5.90	4.46	5.82	1.42	1.86	2.20

The Ratios have been computed as per the following formula:

- a) Earning per Equity Share :-(Adjusted Net Profit after tax)/ (weighted average number of Equity shares).
b) Net Asset Value: (Adjusted Net assets after reduction of miscellaneous expenditure not written off)/ (weighted average number of equity shares).



c) Return on Net Worth :- (Adjusted Net Profit After Tax /Adjusted Equity Share holders fund after reduction of Miscellaneous expenditure not written off at the end of the year)

Net Profit, as restated and appearing in the statement of profit and losses has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial statements of the company

Earning per share calculations have been done in accordance with Accounting standard- 20 "Earning per share" issued by the Institute of Chartered Accountants of India.

Annexure XV

Transaction with Related Parties

(Amount in Rupees)

Particulars	Financial Year	Related Parties referred in (A) Below	Related Parties referred in (B) Below
Sale of Goods	Six months ended 30 th September, 2009	-	-
	FY 2008-09	-	-
	2007-08	180,000	-
	2006-07	848,000	-
	2005-06	1,168,153	-
	2004-05	1,658,327	-
Directors Fees	Six months ended 30 th September, 2009	-	72,000
	FY 2008-09	-	-
	2007-08	-	-
	2006-07	-	12,500
	2005-06	-	20,000
	2004-05	-	22,000
ERP Charges	Six months ended 30 th September, 2009	-	-
	FY 2008-09	5,618,000	-
	2007-08	5,618,000	-
	2006-07	-	-
	2005-06	-	-
	2004-05	-	-
Unsecured loan from group companies	Six months ended 30 th September, 2009	49,052,629	-
	FY 2008-09	65,020,733	-
	2007-08	64,627,442	-
	2006-07	29,287,280	-
	2005-06	815,000	-
	2004-05	805,000	-

Note: Related Party relationships are identified by the Company based on available information & relied upon by the Auditors



For the six months ended 30 th September, 2009	For the year ended 31 st March				
	2009	2008	2007	2006	2005
Enterprises owned or significantly influenced by key management personnel or their relatives					
-	-	-	Birla International Pvt. Ltd.	Birla International Pvt. Ltd.	Birla International Pvt. Ltd.
-	Nirved Traders Private Limited	Nirved Traders Private Limited	Nirved Traders Private Limited	-	-
-	Birla Global Corporates Pvt. Ltd	Birla Global Corporate Pvt. Ltd	-	-	-
Godavari Corporation Private Limited	Godavari Corporation Private Limited	Godavari Corporation Private Limited	Godavari Corporation Private Limited	-	-
Shearson Investments and Trading Company Private Limited	Shearson Investments and Trading Company Private Limited	Shearson Investments and Trading Company Private Limited	-	-	-
	Birla Power Solutions Ltd (Previously known as Birla Yamaha Limited)	Birla Power Solutions Ltd (Previously known as Birla Yamaha Limited)	Birla Power Solutions Ltd (Previously known as Birla Yamaha Limited)	Birla Power Solutions Ltd (Previously known as Birla Yamaha Limited)	Birla Power Solutions Ltd (Previously known as Birla Yamaha Limited)
	Zenith Birla (India) Ltd (Previously known as Zenith Ltd)	Zenith Birla (India) Ltd (Previously known as Zenith Ltd)	Zenith Birla (India) Ltd (Previously known as Zenith Ltd)	Zenith Birla (India) Ltd (Previously known as Zenith Ltd)	Zenith Birla (India) Ltd (Previously known as Zenith Ltd)
	Birla Transasia Carpets Limited	Birla Transasia Carpets Limited	Birla Transasia Carpets Limited	Birla Transasia Carpets Limited	Birla Transasia Carpets Limited
	Birla Accutech Cast Limited (Previously known as Birla Perucchini Limited)	Birla Accutech Cast Limited (Previously known as Birla Perucchini Limited)	Birla Accutech Cast Limited (Previously known as Birla Perucchini Limited)	Birla Accutech Cast Limited (Previously known as Birla Perucchini Limited)	Birla Accutech Cast Limited (Previously known as Birla Perucchini Limited)
	Dagger Forst Tools Limited	Dagger Forst Tools Limited	Dagger Forst Tools Limited	-	Dagger Forst Tools Limited
	Birla Infrastructure Private Limited	Birla Infrastructure Private Limited	Birla Infrastructure Private Limited	-	-
	-	-	-	Shloka Academy Private Limited	Shloka Academy Private Limited



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	-	-	-	Shloka Peripherals Private Limited	Shloka Peripherals Private Limited
	-	-	-	Shloka Publications Private Limited	Shloka Publications Private Limited
	-	-	-	Shloka Software Private Limited	Shloka Software Private Limited
	-	-	-	Shloka Graphics Private Limited	Shloka Graphics Private Limited
Birla Surya Ltd	-	-	-	-	-
Birla Edutech Ltd	-	-	-	-	-
Key Management Personnel:					
Mr. Yashovardhan Birla	-	-	-	-	-
-	-	-	Mr. K.P. Chokhani	Mr. K.P. Chokhani	Mr. K.P. Chokhani
-	-	-	-	Mr. Arun Jain	Mr. Arun Jain
-	-	-	-	Mr. B.L. Varma	Mr. B.L. Varma
-	-	-	Mr. Ajay Jain	Mr. Ajay Jain	-
-	-	-	Mr. Shishir Dalal	Mr. Shishir Dalal	-
-	-	-	Mr. Manish Malani	-	-
-	-	-	-	-	Mr. L.R. Daga
Mr. Sri Krishna Nidigallu	-	-	-	-	-
Mr. Tushar Dey	-	-	-	-	-
Mr. Anoj Menon	-	-	-	-	-
Mr. Mohandas Shenoy Adige	-	-	-	-	-
Mr. Vijay Agarwal	-	-	-	-	-



Annexure XVI

STATEMENT OF SEGMENT REPORTING:

(Amount in Rupees)

Particulars	As on 30 th September, 2009	As on 31 st March				
		2009	2008	2007	2006	2005
Segment Revenue						
(a) Publication	-	-	3,292,555	19,690,974	-	-
(b) Infotech	-	-	388,413,692	6,396,326	-	-
Total	-	-	391,706,247	26,087,300	-	-
Less: Inter Segment Revenue	-	-	-		-	-
Net Sales from Operation			391,706,247	26,087,300		
Segment Results (profit before tax)						
(a) Publication	-	-	(7,090,272)	759,095	-	-
(b) Infotech	-	-	10,898,378	106,418	-	-
Total			3,808,106	865,513		
Capital Employed:						
(a) Publication	-	-	62,298,704	70,265,988	-	-
(b) Infotech	-	-	75,330,695	31,666,731	-	-
Total	-	-	137,629,399	101,932,719	-	-
The Composition of Business Segment are:						
Name of Segment						
(a) Publication						
(b) Infotech						

Note:

As on date the Company is fully operating in only one segment viz. Infotech. However, on consolidating the company's accounts with the accounts of the transferor companies, the publications segment is also included in the reporting of FY 2007 and 2008. Since the FY 2009, the company had discontinued the business of Publications, hence, no segment reporting is made.



Annexure XVII

Statement of Tax shelter

(As per return of income filed for the respective assessment years)
(Amount in Rupees)

Particulars	For six months ended 30th September, 2009	For the year ended				
		31 st March 2009	31st March 2008	31st March 2007	31st March 2006	31st March 2005
Net Profit/(Loss) before tax as restated in Annexure I	14,402,677	3,958,231	11,031,935	527,733	526,882	1,089,932
Tax Rate in % (including Surcharge)	33.99%	33.99%	33.99%	33.66%	33.66%	33.66%
Tax at notional rates (A)	4,895,470	1,345,403	3,749,755	177,635	177,348	366,871
Adjustments						
<u>Permanent Differences</u>						
Net Disallowable / (Allowable) expenses	Nil	120,664	81,916	Nil	53,821	75,000
Profit/ Loss on sale of fixed assets/ investments	Nil	Nil	Nil	(4,365,019)	Nil	Nil
Total Permanent Differences (B)	Nil	120,664	81,916	(4,365,019)	53,821	75,000
<u>Timing Differences</u>						
Difference between tax depreciation and book depreciation	(12,635,314)	(1,220,056)	(514,564)	(355,468)	(912,172)	(431,798)
Carried forward loss	(1,637,904)	(2,599,921)	(10,598,651)	Nil	Nil	(733,134)
Other differences	(129,460)	(258,918)	(636)	Nil	Nil	Nil
Total Timing Differences (C)	(14,402,678)	(4,078,895)	(11,113,851)	(355,468)	(912,172)	(1,164,932)
Capital gains	Nil	Nil	Nil	4,365,019	Nil	Nil
Less: Long term capital gain - exempt	Nil	Nil	Nil	(4,365,019)	Nil	Nil
Net capital gains taxable	Nil	Nil	Nil	Nil	Nil	Nil
Total of adjustments (B+C)	(14,402,678)	(3,958,231)	(11,031,935)	(4,720,487)	(858,351)	(1,089,932)
Tax Burden/ (Savings thereon) (D)	(4,895,470)	(1,345,403)	(3,749,755)	(1,588,916)	(288,921)	(366,871)
Total Tax (A-D)	Nil	Nil	Nil	Nil	Nil	Nil
Income tax as per Section 115JB	25,00,000	289,525	400,873	Nil	Nil	Nil
Tax Payable	25,00,000	289,525	400,873	Nil	Nil	Nil
Provision for tax as per books of accounts	25,00,000	314,360	350,000	Nil	Nil	Nil



Note:

1. The Company has filed its Income Tax returns on a standalone basis i.e before the amalgamation was approved by the court, hence the Profit figures as per this table will not be comparable with the restated profit and loss accounts given annexure I for the financial years 07 and 08 which are presented on a consolidated basis.
2. The above information is provided on the basis of the Income Tax Return filed by the company for the respective Assessment Years. With respect to AY 2010-11, the schedule is prepared on the basis of computation made.
3. Carry forward business loss which company is eligible to set off against the future taxable profit upto assessment year 2009-2010 is Rs. 22,542,008.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards referred to in section 211(3C) of the Companies Act and other applicable provisions of the Companies Act.

For a description of our business, please refer to the section titled "Our Business" on page 54 of this Prospectus. You should also read the section titled "Risk Factors" on page no. xii of this Prospectus. We are entitled to certain tax benefits. Please refer to section titled "Statement of General Tax Benefits" beginning on page 43 of this Prospectus for details of tax benefits available to us. Our year ends on March 31st of each year, so all references to a particular 31st March are to the twelve months period ended March 31st of that year.

Overview:

The group has diversified interest in industries like steel pipes, machine tools, cutting tools, tool holders, iron castings, power solution products, multipurpose engines pumps, electrical appliances, textiles carpets, furnishing, lifestyle, infotech, publication, travel, electricity insulation, tapes, property development, cotton ginning etc. The major companies in the Yash Birla group include Zenith Birla (India) Ltd, Birla Power Solutions Ltd, Dagger Forst Tools Ltd, Birla Precision Technologies Ltd (formelry knownn as Birla Kennametal Tools Ltd, Birla Transasia Carpets Ltd, Birla Perucchini Ltd, Birla Electricals Ltd, Birla Lifestyle Ltd, Birla Concepts (India) Pvt. Ltd, Birla Cotsyn (India) Ltd.

Our Company was incorporated as a Private Limited Company on 25th May 1992, under the name and style of Rath Mercantile & Management Services Private Ltd and subsequently was converted into a Public Limited Company on 16th March 1994 and the name was changed to Rath Mercantile & Management Services Limited. The name was changed again to Rath Mercantile Industries Limited on 23rd May 1994. The Company came out with a Public Issue of 17,10,000 equity shares of Rs.10 each on 24th October 1994 and got its shares listed in Bombay, Calcutta and Ahmedabad Stock Exchanges. In June 1998, the Yash Birla Group acquired the controlling stake in the company from the then promoters of the company Viz Mr. Shyamsunder Rath and his associates and group companies and made an open offer to acquire further 20% of the equity capital upto 7,60,000 shares. Thus the Company came under the management of YBG. Renamed on 12th February 2002 as Shloka Infotech Limited.

The Hon'ble High Court of Judicature of Mumbai vide its order dated June, 27th 2008 has approved a scheme of Amalgamation entered into by the Company under section 391 and 394 of the companies Act, 1956 with Shloka Academy Private Limited, Shloka Finance Consultancy Private Limited, Shloka Graphics Private Limited, Shloka Peripheral Private Limited, Shloka Publications Private Limited, and Shloka Software Private Limited. And the name was changed to Birla Shloka Edutech Limited on 26th December 2008.

Significant Developments Subsequent to the Last Financial Year

The directors of our Company confirm that in their opinion no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus, which materially and adversely affect or are likely to affect the trading or profitability of our Company, or the value of our assets, or our ability to pay our liabilities within the next twelve months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations and financial condition are affected by a number of factors, including:

1. General economic conditions
2. Increasing competition in the industry
3. Changes in laws & regulations applicable to the industry, fiscal, economic or political conditions in the country
4. Realisability of the dues from the clients
5. Technology obsolescence & frequent fluctuations of cost of IT & related resources



Significant items of Income and expenditure

(Amount in Rupees)

Particulars	For six months ended 30 th September 2009	For the year ended 31 st March				
		2009*	2008*	2007*	2006	2005
Income:						
Total Sales	646,419,451	1,040,094,721	391,706,247	26,087,300	10,667,647	10,514,992
Increase/(Decrease) %		165.53	1401.52	144.55	1.45	
Other Income	69,160	69,381	109,671	4,457,095	22,265	1,510,118
Increase/(Decrease) %		(37)	(97.54)	19918.39	(98.53)	
Increase/(Decrease) in Inventories	(6,043)	101,400	624,714	(1,330,856)	(2,976)	34,648
Total Income (A)	646,482,568	1,040,265,502	392,440,632	29,213,539	10,686,936	12,059,758
Increase/(Decrease) %		165.08	1243.35	173.36	(11.38)	-
Expenditure:						
Purchases & Direct expenses	615,917,680	1,014,475,578	366,598,187	8,259,411	3,321,965	3,893,962
Increase/(Decrease) %		176.73	4338.55	148.63	(14.69)	-
% of income	95.25	97.52	93.41	28.27	31.08	32.29
% of Expenditure	98.27	98.41	95.25	33.85	42.86	44.73
Staff Cost	4,549,869	8,375,809	9,694,285	6,693,330	2,112,468	2,382,576
Increase/(Decrease) %		(13.60)	44.84	216.85	(11.34)	-
% of income	0.70	0.81	2.47	22.91	19.77	19.76
% of Expenditure	0.73	0.81	2.52	27.43	27.25	27.37
Administration Expenses	4,212,227	4,637,818	5,267,654	6,278,064	1,337,913	2,351,050
Increase/(Decrease) %		(11.96)	(16.09)	369.24	(43.09)	-
% of income	0.65	0.45	1.34	21.49	12.52	19.50
% of Expenditure	0.67	0.45	1.37	25.73	17.26	27.01
Selling & Marketing Expenses	621,590	2,860,060	1,772,082	2,566,275	967,772	67,517
Increase/(Decrease) %		61.40	(30.95)	165.17	1333.38	-
% of income	0.10	0.27	0.45	8.78	9.06	0.56
% of Expenditure	0.10	0.28	0.46	10.52	12.49	0.78
Finance Expenses	1,469,453	466,277	1,531,947	601,585	10,850	10,861
Increase/(Decrease) %		(69.56)	154.65	5444.56	-	-
% of income	0.23	0.04	0.39	2.06	0.10	0.09
% of Expenditure	0.23	0.05	0.40	2.47	0.14	0.12
Total Expenditure (B)	626,770,819	1,030,815,542	384,864,155	24,398,665	7,750,968	8,705,966
Increase/(Decrease) %		167.84	1477.40	214.78	(10.97)	-
% of income	96.94	99.09	98.07	83.52	72.53	72.19
Profit/(loss) before Depreciation, extraordinary items & taxes	19,711,749	9,449,960	7,576,477	4,814,874	2,935,968	3,353,792
Increase/(Decrease) %		24.73	57.36	64.00	(12.46)	
% of income	3.06	0.91	1.93	16.48	27.47	27.81
Depreciation	5,033,602	4,790,591	3,415,087	3,796,013	2,395,833	2,160,615



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Increase/(Decrease) %		40.28	(10.03)	58.44	10.89	-
% of income	0.79	0.46	0.87	12.99	22.42	17.92
Net Profit/(loss) before extraordinary items & taxes	14,678,147	4,659,369	4,161,390	1,018,861	540,135	1,193,177
Increase/(Decrease) %		11.97	308.44	88.63	(54.73)	
% of income	2.27	0.45	1.06	3.49	5.05	9.89
Preliminary Expenses	129,460	258,921	131,177	0.00	0.00	0.00
Balances written off	146,010	442,217	222,107	153,348	13,253	103,245
Total write off	275,470	701,138	353,284	153,348	13,253	103,245
% of income	0.04	0.07	0.09	0.52	0.12	0.86
Net Profit/(loss) before tax	14,402,677	3,958,231	3,808,106	865,513	526,882	1,089,932
Increase/(Decrease) %		3.94	339.98	64.27	(51.66)	-
% of income	2.23	0.38	0.97	2.96	4.93	9.04
Total taxes	6,838,747	812,757	(3,230)	(64,916)	51,981	535,770
Net Profit/ (loss) after Tax	7,563,930	3,145,474	3,811,336	930,429	474,901	554,162
Increase/(Decrease) %		(17.47)	309.63	95.92	(14.30)	-
% of income	1.17	0.30	0.97	3.18	4.44	4.60

* For the amalgamated entity as a whole.

**Significant items of Balance sheet**

(Amount in Rs.)

Particulars	For six months ended 30 th September 2009	For the year ended 31st March				
		2009	2008	2007	2006	2005
Fixed Assets (Net)	124,828,922	73,687,080	70,000,793	71,970,696	13,803,955	10,188,288
Increase / (Decrease) %	69.40	(11.64)	(16.13)	421.38	35.49	-
Secured Loans	33,865,420	7,869,505	7,510,984	7,184,023	-	-
Increase / (Decrease) %	330.33	4.77	4.55	-	-	-
Unsecured Loans	51,552,629	65,020,733	64,677,442	29,431,280	909,000	899,000
Increase / (Decrease) %	(20.71)	1392.05	119.76	3137.76	-	-
Sundry debtors	656,872,426	204,839,437	80,899,596	14,568,377	4,195,169	3,326,793
Increase / (Decrease) %	220.68	153.20	455.31	247.27	26.10	-

Results for the six months ended 30th September 2009

During the six months ended 30th September 2009, the company had achieved a turnover of Rs. 6464.19 Lakhs and a net profit after tax of Rs. 75.64 Lakhs. The EPS for this period works out to Rs. 1.26 annualized being Rs. 2.52 as against Rs. 0.52 in the Financial Year 08-09.

Results for the Financial Year ended 31st March 2009 as compared to the results for the year ended 31st March 2008

The results of both the years are presented on consolidated basis in accordance with the scheme of amalgamation sanctioned by the Honourable High Court of Mumbai on 26th June 2008

Income

Our total income increased by 165.08% to Rs.10403 Lakhs in 31st March 2009 from Rs. 3924 Lakhs in 31st March 2008. Total sales went up by 166% to Rs 10401 Lakhs from Rs. 3917 Lakhs. The Other Income has come down during the year by 37%.from Rs.1.10 Lakhs to Rs.0.69 Lakhs.

Expenditure

Total expenditure other than depreciation was at Rs.10308 Lakhs as against Rs.3849 Lakhs in the previous year ie an increase of 168%. The percentage of total expenditure to total income has gone up from 98% to 99%. The increase in total expenditure was mainly on account of increase in Purchases & Direct expenses. .

Purchases & Direct Expenses

The cost of Purchases and other direct expenses increased to Rs.10145 Lakhs in FY 2009 from Rs.3665.98 Lakhs in FY 2008 showing an increase of 176.73%. This expenditure as percentage to total expenditure has gone up from a level of 95.25% in the previous year to 98.41%.



Administration Expenses

Expenditure under this head had infact shown a decrease of 11.96% over the previous year. In absolute terms it has come down from Rs.52.68 Lakhs accounting for 1.37% of the overall expenditure to Rs.46.38 Lakhs accounting for 0.45% of the total expenditure.

Staff expenses

Staff expenses had also shown a decline of 13.60% this year. . However personnel expenses as a percentage of total expenditure were at a lower level of 0.81% as compared to 2.52% in the previous year.

Selling and Marketing expenses:

Selling and Marketing expenses had gone up by 61.40% from Rs.17.72 Lakhs to Rs. 28.60 Lakhs in the previous year. The selling and marketing expense as a percentage to total income and total expenditure, is at a very low level of 0.28% as compared to 0.46% in FY 08.. .

Finance Expenses:

Finance expenses had reduced to Rs. 4.66 Lakhs in FY 2009 from Rs.15.32 Lakhs in FY 2008 ie an decrease of 69.56% on account of decrease in interest charges from over Rs. 14 Lakhs in the previous year to just about Rs. 1 Lakh in the current year.

Profit/ (loss) before Depreciation, extraordinary items & taxes

Profit before depreciation, extraordinary items & taxes, in absolute terms for the year 08-09 had shown an increase of 24.73% over the previous year. However as a percentage of total income it has come down from 1.93%. to 0.91%.

Depreciation

Depreciation for the year was at Rs.47.91 lakhs as against Rs.34.15 Lakhs for the year ended 31st March 2008.. Depreciation charges as a percentage of income were 0.46% in FY 2009 and 0.87% in FY 2008. The increase depreciation during the year was due to addition of Softwares.

PBT

PBT (before amortisation of Preliminary expenses) increased from Rs..41.61 Lakhs in year ended 31st March 2008 to Rs.46.59 Lakhs in the year ended 31st March 2009, showing a growth of 11.97%.. As percentage to total income it had come down from 1.06% to 0.45%. The profit after amortisation and write off had gone up marginally from Rs.38.08 Lakhs to Rs. 39.58 Lakhs.

Taxes

In FY 09 the company has provided for Rs.3.14 Lakhs under MAT as against an amount of Rs. 7.73 Lakhs that was provided in the FY 2008. With respect to Deferred Tax as against a sum of Rs.7.76 Lakhs had been wrote back in FY 08, a sum of Rs.4.98 Lakhs was provided for in FY 09..

PAT

PAT decreased from Rs.38.11Lakhs to Rs.31.45 Lakhs in the year ended 31st March 2009 registering a decrease of 17.47%. Whereas the net profit margin has come down to 0.30% from 0.97% in FY08.

Fixed Assets

The Net Block had come up from Rs.700 Lakhs to Rs.736.87 Lakhs in the current year. The main additions during the year were Rs. 44 Lakhs of Computer Software& Goodwill to the extent of Rs. 33 Lakhs.

Secured/ Unsecured Loans

The Secured loan was at Rs. 78.70 Lakhs as against Rs.75.11 Lakhs in the previous year. The Unsecured loan has gone up marginally from Rs.646.77 Lakhs to Rs. 650.21 Lakhs. The Secured Loan had gone up by 4.77% and Unsecured Loan had gone up by 0.54%

Sundry Debtors

The Sundry Debtors increased by 153.20% from Rs.809 Lakhs as on 31st March 2008 to Rs.2048.39 Lakhs as on 31st March 2009. This is in tune with the 165% increase in the total sales during the year.

Results for the Financial Year ended 31st March 2008 as compared to the results for the year ended 31st March 2007

The results of both the years are presented on consolidated basis in accordance with the scheme of amalgamation sanctioned by the Honourable High Court of Mumbai on 26th June 2008

Income

Our total income increased by 1243% from Rs..292.14 Lakhs in 31st March 2007 to Rs. 3924.41 Lakhs in 31st March 2008. Total sales went up by 1401% from Rs 260.87 Lakhs to Rs 3917.06 Lakhs. due to sale of our new product i.e. XL@School and introduction of Shloka ERP package. On the other hand the Other Income has come down during the year by 97%. This is because of the profit on sale of shares that was booked in the previous year, a non- recurring income.

Expenditure

Total expenditure other than depreciation was at Rs.3849 Lakhs as against Rs.243.99 Lakhs ie an increase of 1477%. This increase in expenditure was in commensurate with an increase in turnover of 1401%.The percentage of total expenditure to total sales (without considering the other income) has gone up from 93.53% to 98.25%. The increase in total expenditure was mainly on account of increase in Purchases & Direct expenses and staff expenses. .

Purchases & Direct Expenses

The cost of Purchases and other direct expenses increased from Rs. 82.59 Lakhs in FY 2007 to Rs.3665.98 Lakhs in FY 2008 showing an increase of 4338.55%. This expenditure as percentage to total expenditure has also shot up substantially from a level of 33.85% in the previous year to 95.25%. The cause for the major increase is because of the expenditures related to the development of new software and the ERP package

Administration Expenses

Expenditure under this head had infact shown a decrease of 16.09% over the previous year. In absolute terms also it has come down from Rs.62.79 Lakhs accounting for 25.73% of the overall expenditure to Rs.52.68 Lakhs accounting for 1.37% of the total expenditure.

Staff expenses

Staff expenses increased to Rs.96.94 Lakhs in Financial year 2007-08 from Rs.66.93 Lakhs in Financial year 2006-07 showing an increase of 44.84%. However personnel expenses as a percentage of total income and expenditure were at a low level of 2.47% and 2.52% respectively.



Selling and Marketing expenses:

Selling and Marketing expenses came down from Rs. 25.66 Lakhs in 2006-07 to Rs.17.72 Lakhs in 2007-08 showing a decrease of 30.95%. If we express the selling and marketing expense as a percentage to total income and total expenditure, it is at a very low level of less than 0.50%. This is due to the fact that the company had achieved substantial increase in the turnover with out much increase in the selling and marketing expenses. .

Finance Expenses:

Finance expenses increased from Rs. 6.02 Lakhs in FY 2007 to Rs.15.32 Lakhs in FY 2008 ie an increase of 154.65%. This was due to quantum jump in the unsecured loan funds to Rs.646.77 Lakhs in 2007-08 from Rs.294.31 Lakhs in 2006-07.

Profit/ (loss) before Depreciation, extraordinary items & taxes

Profit before depreciation, extraordinary items & taxes, in absolute terms for the year 07-08 had shown a significant increase of 57.36% over the previous year. However as a percentage of total income it has come down from 16.48% to 1.93%..

Depreciation

Depreciation for the year was at Rs.34.15 lakhs as against Rs. 37.96 Lakhs for the year ended 31st March 2007. Depreciation charges as a percentage of income were 12.99% in FY 2007 and 0.87% in FY 2008.

PBT

PBT increased from Rs. 8.65 Lakhs to Rs..38.08 Lakhs in year ended 31st March 2008 showing a growth of 340%. Though the PBT Margin, as percentage to total income had come down to 0.97% from 2.96%, the increase in volume of business has enabled the PBT to increase in absolute terms

Taxes

In FY 08 has provided for Rs.3.5 Lakhs under MAT and Rs.4.22 Lakhs as provision for taxation as against a nominal amount of Rs. 6338/- was provided in the FY 2007. With respect to Deferred Tax in FY 08 a sum of Rs.7.76 Lakhs had been wrote back as against a sum of Rs.71,254/- wrote back in FY 07.

PAT

During the year, the company shifted its focus in increasing the volume of operations rather than profit margin, due to the competitive situation in the market. As a result, the PAT increased from Rs. 9.30 Lakhs to Rs.38.11 Lakhs in the year ended 31st March 2008 showing an increase of 309.63%.while the net profit margin has come down to 0.97% from 3.18%.

Fixed Assets

The Net Block as at 31st March 2008 was at Rs.700 Lakhs as against Rs.719.70 Lakhs as on 31st March 2007 registering a decrease of 16.13%. There was an addition of Rs.52.69 Lakhs by way of new software developed by the company and capital work-in- progress. Goodwill to the extent of Rs.19.07 Lakhs was written off during the year 2007-08.

Secured/ Unsecured Loans

The Secured loan was at Rs. 75.11 Lakhs as against Rs.71.84 Lakhs in the previous year. The Unsecured loan has gone up substantially to Rs.646.77 Lakhs from Rs. 294.31 Lakhs. The increased level of activity in the current year has necessitated the additional funding requirement. The Secured Loan had gone up by 4.55% and Unsecured Loan had gone up by 119.76%

Sundry Debtors

.In tune with the multifold increase in the turnover the Sundry Debtors increased from Rs. 145.68 Lakhs as on 31st March 2007 to Rs.809 Lakhs as on 31st March 2008 showing increase of 455.31%

Results for the Financial Year ended 31st March 2007 as compared to the results for the year ended 31st March 2006

The results of both the years are not comparable as FY 2006 figures are on standalone basis of Shloka Infotech only whereas the results for FY 2007 are presented on consolidated basis in accordance with the scheme of amalgamation sanctioned by the Honourable High Court of Mumbai on 26th June 2008

Income

Our total income increased by 173.36% from Rs. 106.87 Lakhs in 31st March 2006 to Rs. 292.14 Lakhs in 31st March 2007. Total sales went up by 144% from Rs 106.90 Lakhs to Rs 260.87 Lakhs. The substantial growth in the turnover was mainly due to the effect of the said amalgamation with the six other companies as mentioned in the beginning of this section. During the year the company has made a profit of Rs. 44.65 Lakhs from sale of shares, as a result of which the other income went up from Rs. 0.22 Lakhs to Rs. 47.55 Lakhs.

Expenditure

Total expenditure other than depreciation was at Rs.243.99 Lakhs as against Rs.77.51 Lakhs i.e an increase of 214.78%. As in the case of income, the increase in the expenditure was also due to the impact of amalgamation. This increase in expenditure was mainly on account of increase in Administration expenses especially the staff cost and in the cost of Purchases and other Direct expenses. As a percentage of income, the expenditure for 31st March 2007 was at 83.52% as against 72.53% in 31st March 2006. .

Purchases & Direct Expenses

The cost of Purchases and other direct expenses increased from Rs. 33,21 Lakhs in FY 2006 to Rs.82.59 Lakhs in FY 2007 showing an increase of 148.63%. However this expenditure as percentage to total expenditure has come down from 42.86% to 33.85%.

Administration Expenses

The increase under this head for the year was 369.24% over the previous year. In absolute terms it has gone up from Rs.13.38 Lakhs accounting for 17.26% of the overall expenditure to Rs.62.78 Lakhs accounting for 25.73% of the total expenditure. This was mainly on account of the fact that FY 2007 financials are prepared after giving effect of the Scheme of Amalgamation of the Honorable High Court of Mumbai dated 27th June 2008. The major contributories for the increase are power & fuel, rent for the premises, legal and professional fees, etc.

Staff expenses

Staff expenses increased to Rs. 66.93 Lakhs in Financial year 2006-07 from Rs. 21.12 Lakhs in Financial year 2005-06 showing an increase of 217%. Personnel expenses as a percentage of income had gone up from 19.77% to 22.91%.

Selling and Marketing expenses:

Selling and distribution expenses increased to Rs. 25.66 Lakhs in 2006-07 from Rs. 9.68 Lakhs in 2006-07 showing an increase of 165.17% However if we express the selling and marketing expense as a percentage to total income, the position in the current year is better than the previous year where percentage has improved from 9.06% to 8.78%.



Finance Expenses:

Finance expenses increased substantially to Rs. 6.02 Lakhs in FY 2007 from just Rs. 0.10 Lakhs in FY 2006. This was due to quantum jump in the loan funds from a nominal amount of Rs.9.09 Lakhs in 2005-06 to Rs.366.15 Lakhs in 2006-07. The main reason from the same being that the figure of 2006-07 was on consolidated basis (of accounts after amalgamation) whereas the figures of 2005-06 represent that of Shloka Infotech on standalone basis.

Profit/ (loss) before Depreciation, extraordinary items & taxes

Profit before depreciation, extraordinary items & taxes, in absolute terms for the year 06-07 had shown a significant increase of 64% over the previous year. However as a percentage of total income it has come down from 27.47% to 16.48% items..

Depreciation

Depreciation for the year has increased to Rs. 37.96 Lakhs for the year ended 31st March 2007 from Rs. 23.96 Lakhs in the previous year showing an increase of 58.44%. Depreciation charges as a percentage of income were 12.99% in FY 2007 and 22.42% in FY 2006. The increase in depreciation was mainly due to the consolidation of accounts post merger.

PBT

PBT increased to Rs. 8.65 Lakhs from Rs. 5.27 Lakhs in year ended 31st March 2007 showing a growth of 64.27%. PBT Margin, as percentage to total income had come down from 4.93% to 2.96%.

Taxes

As against Nil tax in the previous year there was a nominal amount of Rs. 6338/- was provided in the FY 2007. With respect to Deferred Tax in FY 06 a sum of Rs.51981/- was provided for whereas in FY 07, a sum of Rs.71,254/- was wrote back. Total taxes as percentage of total income had come down from 9.87% to (7.50%), the reason for the change is mainly due to the deferred tax.

PAT

PAT increased to Rs. 9.30 Lakhs from Rs. 4.75 Lakhs in the year ended 31st March 2007 showing an increase of 95.92%. Whereas the net profit margin has come down from 4.44% to 3.18%.

Fixed Assets

The fixed assets increased to Rs.719.71 Lakhs on 31st March 2007 from Rs.138.04 Lakhs as on 31st March 2006 showing increase of 421.38%, which is due to the impact of consolidation of accounts post merger.

Secured/ Unsecured Loans

The secured loan was at Rs.71.84 Lakhs as against Nil in the previous year, which is due to the new cash credit facility and car loan availed during the year. The unsecured loan had also gone up substantially from Rs. 9.09 Lakhs to Rs. 294.31 Lakhs.

Sundry Debtors

The Sundry Debtors increased to Rs. 145.68 Lakhs as on 31st March 2007 from Rs.41.95 Lakhs as on 31st March 2006 showing increase of 247.27%.

Comparison of results for the year ended 31st March 2006 Vs 31st March 2005:

The results of these two financial years are comparable as both are prepared on standalone basis (pre-merger).

Income:

Against a total income of Rs.120.60 Lakhs in FY 05, the total income for FY 06 is only Rs.106.87 Lakhs. i.e a fall of 11.38%. This was mainly due to the Other Income (from profit on sale of assets, interest received on ICD etc.) which was at Rs.15.10 Lakhs in the previous year as against Rs.22,265 in the current year. Infact the total sales had gone up by 1.45%

Expenditure

Our total expenditure for the year 05 -06 reduced by 10.97% from Rs. 87.06 Lakhs to Rs. 77.51 Lakhs. This was possible due to the decrease in all the heads of expenditure other than the selling & marketing expenses and the financial expenses. However the percentage of total expenses to total income had remained at the same level of around 72% in both the years.

Purchases & Direct Expenses

Expenditure on purchase & direct expenses decreased to Rs. 33.22 Lakhs in 31st March 2006 from Rs. 38.94 Lakhs in 31st March 2005 showing a decrease of 14.69%. As percentage to total expenditure, decreased from 44.73% to 42.86%.

Staff expenses

Staff expenses decreased to Rs. 21.12 Lakhs in 31st March 2006 from Rs. 23.82 Lakhs in 31st March 2005 showing a decrease by 11.34%. Staff expenses as a percentage of total income remained almost at the same level of 19.8% in both the years.

Administration expenses

Administration expenses decreased to Rs. 13.38 Lakhs in 31st March 2006 from Rs. 23.51 Lakhs in 31st March 2005 showing a decrease by 43.09%. Administration expenses as a percentage of income reduced to 12.52% in 31st March 2006 as compared to 19.50% in 31st March 2005. The reduction in the expenses was on account of reduced spending on rates & taxes, payment of ROC fees etc.

Selling & Marketing expenses

Selling & Marketing expenses increased substantially to Rs. 9.68 Lakhs in 31st March 2006 from Rs. 0.68 Lakhs in 31st March 2005 showing an increase of 1333%. Selling & marketing expenses as a percentage to total expenditure increased from a nominal level of 0.78% to 12.49% in the financial year 2006.

Finance Expenses:

The expense under this head remained the same in both the years at a nominal level of Rs.0.11 Lakhs. During these years the Company had not availed any Secured loans and the outstanding unsecured loan was around Rs.9 Lakhs in both the years.

Profit/ (loss) before Depreciation, extraordinary items & taxes

Profit before depreciation, extraordinary items & taxes as a percentage of income was 27.81% in 31st March 2005 compared to 27.47% in 31st March 2006. The increase in margin was on account of reduction in staff costs by 11.34% and Administration expenses which got reduced by 43.09% during FY 2006. However in absolute term the Profit before depreciation, extraordinary items & taxes decreased to Rs. 29.36 Lakhs in 31st March 2006 from Rs. 33.54 Lakhs in 31st March 2005. The reduction in the profit was mainly on account reduction in the 'Other Income'.

**Depreciation**

Depreciation increased to Rs. 23.96 Lakhs in 31st March 2006 from Rs. 21.61 Lakhs in 31st March 2005 showing an increase of 10.89%. Depreciation charges as a percentage of income were 17.92% in 31st March 2005 and 22.42% in 31st March 2006. The increase in depreciation was on account of certain additions to fixed assets during the year.

PBT

PBT fell by over 51% to Rs. 5.27 Lakhs in 31st March 2006 from Rs. 10.90 Lakhs in 31st March 2005. The decrease in PBT was mainly on account of fall in the other income.

Taxes

Our Company did not have any current tax liability in both the years. However FY 05 had to bear a deferred tax liability of Rs. 5.35 Lakhs in 2005 as against Rs.0.52 Lakhs in 2006.

PAT

PAT decreased to Rs. 4.75 Lakhs in 31st March 2006 from Rs. 5.54 Lakhs in 31st March 2005 showing a decrease of 14.30%. The profit margin in 31st March 2006 was 4.44% as compared to 4.60% in 31st March 2005 on account of above mentioned factors.

Fixed Assets

The fixed assets increased to Rs.138.04 Lakhs in 31st March 2006 from Rs.101.88 Lakhs in 31st March 2005 showing an increase of 35.49%, which is due to the addition of 'Vidhyopasana (software WIP)' in the current year..

Secured/ Unsecured Loans

There was no Secured Loans in both the years and the unsecured loan remained at around Rs. 9 Lakhs in FY 05 and FY 06.

Sundry Debtors

The Sundry debtors increased to Rs.41.95 Lakhs in 31st March 2006 from Rs.33.27 Lakhs in 31st March 2005 showing an increase of 26.10%.

Cash Flows

(Amount Rupees in Lakhs)

Particular	31.03.2009	31.03.2008	31.03.2007
Net cash From Operating Activities	311.82	(377.13)	(45.71)
Net cash From Investing Activities	(68.36)	(52.64)	(598.17)
Net Cash From Financing Activities	(176.29)	436.69	634.19

Note: Pursuant to the Scheme of Amalgamation, Honourable High Court of Bombay, the assets and liabilities taken over from the transferor companies are shown as addition in the respective heads of accounts and the shares issued & reserves are shown separately.

Cash Flows from operating activities

Net cash released from operating activities in 31st March 2009 was Rs. 311.82 Lakhs whereas net profit before tax & preliminary expenses written off was Rs. 42.17 Lakhs, a net upward adjustment of Rs. 269.65 Lakhs relating to various items, principally depreciation of Rs.47.91 Lakhs, loss on sale of investments of Rs. 0.08 Lakhs and a net cash deduction in working capital of Rs. 221.82 Lakhs. The reduction in working capital was on account of increase in debtors and loans & advances and increase in current liabilities.



Net cash used for operating activities for the year ended 31st March 2008 was Rs. 377.13 Lakhs whereas net profit before tax & preliminary expenses written off was Rs. 39.39 Lakhs, a net adjustment of Rs. 416.52 Lakhs comprising of depreciation of Rs.34.15 Lakhs, and a net cash addition in working capital of Rs. 450.67 Lakhs. The increase in working capital was on account of increase in trade & other receivables & decrease in other payables.

Net cash used for operating activities in the year ended 31st March 2007 was Rs. 45.71 Lakhs whereas net profit before tax & preliminary expenses written off was Rs. 8.66 Lakhs, a net adjustment of Rs. 54.36 Lakhs relating to various items like depreciation of Rs.37.96 Lakhs, net loss on sale of investments/ assets of Rs. 43.27 Lakhs and a net cash addition in working capital of Rs. 49.05 Lakhs. The addition in working capital was due to trade & other receivables & decrease in trade payables.

Cash flows from investing activities

During FY 2009 we used cash of Rs. 68.36 Lakhs in investing activities. These investing activities primarily included the purchase of fixed assets (including capital work in progress) of Rs. 51.91 Lakhs. In the FY 2008 a sum of Rs. 52.64 Lakhs was utilized in the addition of fixed assets as against Rs. 640.27 Lakhs in the FY 2007. In addition to this a sum of Rs. 52.79 Lakhs was generated on sale of investments in FY 2007.

Cash flows from financing activities

In the year 2008-09, a sum of Rs. 176.28 Lakhs had been deployed in the financing activities of which Rs. 183.31 Lakhs account for movement in loans & advances during the year. In the year 2007-08, a sum of Rs. 436.69 Lakhs was generated through Unsecured Loans of Rs. 355.73 Lakhs and by way of movement in loans & advances to the extent of Rs. 80.96 Lakhs. In the year 2006-07, the net cash generated from financing activities was at Rs. 634.19 Lakhs. The resources raised were mainly through unsecured loan of Rs. 285 Lakhs, net proceeds from bank borrowings to the tune of Rs. 71.84 Lakhs and by way of movement in loans & advances by an amount of Rs. (141.17) Lakhs. In addition to this, resources aggregating to Rs. 220 Lakhs were raised by issuance of equity shares to the shareholders of the transferor companies under the Scheme of Amalgamation.'

Quantitative and Qualitative Disclosures about Market Risk

1) Unusual or infrequent events or transactions:

There have been no unusual or infrequent events or transactions that have taken place during the period under review.

2) Significant economic changes that materially affected or are likely to affect income from continuing operations:

There have been no economic changes during the periods that materially affect or are likely to affect income from continuing Operations.

3) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

To our knowledge there are no known trends or uncertainties that have had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4) Future changes in relationship between costs and revenues, in case events such as future increase in labour or material costs or prices that will cause a material change are known:

We do not anticipate any major changes in relationship between cost and revenues and we have maintained our Human Capital intact.

5) The extent to which material increase on net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices :



The increase in net sales or revenue is due to both increased sales volume and increase sales prices. Sales price to certain extent is in our control since there is no benchmark price and the players price their products depending upon the customer category giving us an opportunity for flexible pricing for our target market.

6) Total turnover of each major Industry segment in which our Company operates:

Our Company operates in only one industry segment – “Infotech”

7) Status of any publicly announced new products or business segment

Our Company has not announced any new product or segment.

8) The extent to which business is seasonal

Our company is predominantly into the development of software/ content business related to the education sector. Hence there is no seasonality in our business segment.

9) Any significant dependence on a single or few suppliers or customers.

Our main suppliers are providers of software and contents and there is no significant dependence on any single supplier. Depending upon the requirements we identify and select a supplier. In case of customers also there is no specific or significant dependence on a single or few customers.

10) Competitive Conditions

Our company is subject to market competition. The information and communication technology market is evolving and there is an increasing competition in market. There are few big players like Educomp, NIIT and Everonn in the market giving competition nationally and there are many small local players coming up trying to grab a share in pie in the local and regional market.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement " within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in government regulations, tax laws and other statutes and incidental factors.

SECTION VIII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Our Company certifies that except as stated herein, there are no:

- Pending litigations against our Company.
- Outstanding litigations, defaults etc pertaining to matter likely to affect operations and finances of our Company including prosecution under any enactment in respect of Schedule XIII of the Companies Act 1956 (1 of 1956).
- Such cases of pending litigations, defaults etc in respect of Companies/firms/ventures with which the promoters were associated in the past but are no longer associated, and their names continue to be associated with particular litigation.
- Disciplinary action/ investigation has been taken by Securities and Exchange Board of India(SEBI)/ Stock Exchanges against our Company, its directors , promoters and their other business ventures (irrespective of the fact whether or not they fall under the purview of section 370(1B) of the Companies Act 1956.
- Cases against our Company or its Promoters of economic offences in which penalties were imposed on promoters.
- Pending litigations, defaults, non payment of Statutory dues, proceedings initiated for economic offences/civil offences, any disciplinary action taken by the Board /Stock Exchanges against our Company/Promoters and their business ventures/Directors other than those mentioned in this Offer Document and that no litigations have arisen after the issue of SEBI's Observation letter and our Company and its Directors take full responsibility of the information mentioned in the Offer Document.

LITIGATION

PENDING LITIGATION

- (i) Labour Cases filed against our Company : Nil
- (ii) Labour Cases filed by our Company: Nil
- (iii) Civil Cases filed against our Company

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs.)	Current Status
1	www.chana kyanetstudy.com	Writ Petition No.8663 of 2007	High Court of Bombay	Dispute with respect to the Tender process adopted by Maharashtra Prathamik Shikshan Parishad. Although Company was not the party in the petition earlier, Company was subsequently made party through an amendment.	--	The petition has been admitted and is yet to come up for final hearing

- (iv) Civil Cases filed by our Company: Nil
- (v) Criminal cases against our company: Nil



(vi) Criminal cases filed by our company

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs.)	Current Status
1	Mr. Satish Vicharen, Proprietor M/s. Satish Book Distributors, Pune	1436/SS/07	Metropolitan Magistrate, 23 rd Court at Esplanade, Mumbai	Complaint u/s 138 of the Negotiable Instruments Act, 1881	8,338	Next date of hearing is on 19 th January 2010.

Notice: The above case was filed by Shloka Publications Private Limited, a transferor Company under the Scheme of Amalgamation. The same is now continued by the Transferee Company as per the provisions of Section 394 of the Companies Act, 1956.

(vii) Civil cases against our promoters, Directors : Nil

(viii) Criminal cases against our promoters/Directors

Against Mr. Yashovardhan Birla, Chairman of our Company

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs.)	Current Status
1.	Rain Commodities Ltd.	CC. No. 986 of 2009	XIV Additional Chief Metropolitan Magistrate, Hyderabad,	Rain Commodities Ltd had filed a criminal complaint in the court of XIV Additional Chief Metropolitan Magistrate, Hyderabad under section 200 Cr.P.C for alleged breach of certain terms of the MOU dated 6.12.2007.	-	Writ Petition No . 8817 of 2009 has been filed under Section 482 of Cr. P.C inter—alia praying for stay of all further proceedings and quashing FIR No. 917 of 2009 on the file of the SHO, Panjagutta PS, Hyderabad. By order dated 28/10/2009 Hon'ble High Court has granted interim stay as prayed for until further orders and matter is posted after four weeks. Matter yet to appear on board.



(ix) Cases filed by our Promoter/Directors:

Filed by Mr. Yashovardhan Birla

Name of the Opposite Party	Place of Litigation	Court before which Litigation is pending	Brief History	Current status
Rain Commodities Ltd	Suit No. 18934/2009	City Civil Court, Hyderabad	Birla Bombay Pvt. Ltd, Nirved Traders Pvt. Ltd, Shearson Trading & Investment Co. Pvt. Ltd, Godavari Corporation Pvt. Limited Mr. Yashovardhan Birla, Ms. Avanti Birla, Mr. U.S. Sethia, Mr. L.R. Daga, Mr. Arun Kumar Singhi, Mr. Arun Jain and Mr. Girdharilal Lath have filed a suit for specific performances against Rain Commodities Ltd for grant of specific performance of Oral Agreement dated 29.05.2009 directing Rain Commodities Ltd to execute Share Purchase Agreement to transfer 50700 shares of the company.	Pending, Next date is 04/03/2010 for filing of written statement by Rain Commodities Ltd.

(x) Notices served on our Company:

Nil

**Outstanding litigation involving Promoter Group Companies:****Listed Yash Birla Group Companies****1. Birla Cotsyn (India) Limited (BCIL):****i. Labour Cases filed against BCIL:**

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs.)	Current Status
1	Purushottam Dhanuka	ULP 41/04	Labour Court, Buldhana	Mr. Purushottam one of the employee was suspended from service for misbehaving with co workers and refusing to work on machinery. Complaint had been made by him against the Company under the Maharashtra Act (I of 1972) MRTU & PULP Act, 1971 and he prayed that he be reinstated with back wages and continuity of service and also asked for interim relief. Application made by the Company requesting the Court to inquire into the charges leveled and record evidence in the matter accordingly	4,92,604	For Evidence 19.01.2010
2	Ghanshyam. Tiwari	(ULP) No. 559/4	Labour Court, Buldhana	Mr. Ghanshyam was serving as a shift incharge w.e.f. 1/4/99. On 8/5/2003 a notice was served on him by the company to terminate his services. On 12/5/2003 Mr. Ghanshyam filed a complaint u/s 28 R/W item I o Sch. IV of MRTU & PULP Act, 1971. Mr. Ghanshyam prayed that the company have indulged in Unfair Labour Practice and he be reinstated as shift in charge with full back wages and continuity of service.	-	For Say 07.12.2009
3	Gajanan. Ingle	(ULP) No. 1/2006	Labour Court, Buldhana	Mr. Gajanan was serving in the Mixing Section from 1/11/2000 to 7/7/2004 and his services were terminated. On 7/1/2006 he filed an application u/s 5 of the Indian Limitation Act for condonation of delay.		Written Statement on 19.01.2010
4	Vishvanath Haribhau Deshmukh	ULP No. 04/2006.	Labour Court, Buldana	Complaint was filed by the complainant who was terminated from service on the grounds of absenteeism despite being warned. Complainant had prayed for reinstatement with full back wages and costs for proceedings. He had	105500	Written statement 05.01.2010



				applied for interim relief u/s.30(2) of the MRTU& PULP Act, 1971. Reply against grant of interim relief was filed by the company praying for dismissal of the application as well as the main complain as they were devoid of any substance.		
5.	Girni Kamgar Sabha	ULP No.137/2002	Industrial Court, Akola.	Complaint was filed by Girni Kamgar Sabha on 23/9/2002 against the Company alleging unfair labour practise against their trainee and apprentice workers. Complainant had prayed that the workmen should be paid wages as decided and the difference in wages should be paid to the workmen by the company and they should be made permanent workmen. The company filed its reply on 7/10/2002. Order was passed by the court to proceed without the Company's written statement. The company filed an application to set aside the said order on 14/3/2005. The complainant filed a reply on 4/7/2005 opposing the application made by the company.		Hearing 11.01.2010
6.	President, Girni Kamgar Sabha.	B.I.R No. 02 of 2004 (old No. 03 of 1997)	Labour Court, Buldana	Complaint was filed by the president of girni kamgar sabha on 8/10/1997 praying that the notice informing the deduction in wages be taken back, respondents No.1 and 2 be punished for affecting transfers without legal backing and that costs be provided for. Interim order was passed on 10/10/1997 directing the respondents to show cause and till then, the proposed action of the respondents was stayed. Reply was filed by the respondents on 14/10/1997.		Evidence 18.01.2010
7.	Ajay Waghade	ULP No. 563/2004 (old No. 69/2003)	Labour Court, Buldana	Complaint was filed by Ajay Waghade praying for his reinstatement with back wages and continuity of service after he was terminated on grounds of misbehaviour. Application for interim relief was also made praying for reinstatement of complainant till the order in the main complaint is passed. Reply by the company opposing the application for interim relief was filed on 8/4/2005. The reply to the application for interim relief was taken as written statement to the main complaint on 30/12/2006.		Evidence 18.12.2009



8.	Girni Kamgar Sabha	R.ULP No. (OLD 6/1998) 2/4	Labour Court, Buldhana	Petition was filed by Girni Kamgar Sabha on 14/10/1998 u/sec.25(2) of MRTU & PULP Act, 1971 praying for declaring the lockout illegal. Objections were filed in the court by the company on 15/10/1998 asking for dismissal of petition which was not accepted. Subsequently written statement was filed by the company on 9/11/1996. Application was made by respondents for filing documents on 15/1/1999 was rejected by order dated 16/1/1999 after which application for stay of proceedings pending final disposal of revision was made on 18/1/1999. Order was passed whereby the proceedings before the courts were stayed till 27/1/1999 and later order allowed documents to be filed. Revision petition was made to hear both the matters together which was disallowed. It was again prayed in revision petition for taking both matters which was allowed by order dated 4/5/1999.		Argument 18.01.2010
9.	Murlidhar Prasad Chaudhari	ULP Case No. 572/2004 (old No. 90/2003)	Labour Court, Buldana.	Complaint was filed by Murlidhar Chaudhari on 15/7/2003 u/ sec.30(2) of MRTU & PULP Act, 1971 praying for reinstatement with full back wages and continuity of service declaring the order of termination on grounds of absenteeism illegal. Application for interim relief was also made by the complainant which was opposed by the company through reply cum application dated 22/8/2003. Application for interim relief was rejected by order date 27/10/2004. Written statement was filed by the company on 17/3/2005. Application for interim relief was filed by complainant on 16/1/2007 to which reply was filed by the company on 27/2/2007. Order was passed on 5/4/2007 partly allowing the application and directing the company to pay 50% wages to applicant till disposal of main complaint. Revision petition was filed by the company on 25/4/2007 and application for stay was filed. Reply was file by Murlidhar Chaudhari on 16/6/2007. Application was made by the company on 26/6/2007 for		Evidence 18.01.2010



				correcting order sheet. Notes of argument were submitted on 26/7/2007.		
10.	Sheshrao Wamanrao Najan	ULP Case No.16/2006	Labour Court, Buldana.	Complaint was filed by Sheshrao Najan on 23/6/2006 u/sec. 28 read with sch.IV item 9 of MRTU & PULP against his termination order discharging him from service praying for reinstatement with full back wages and costs of the proceedings. Reply to the complaint was filed by the company on 30/12/2006.		Hearing on 22.12.2009
11.	Prabhakar Deorao Patil	ULP No. 596/4	Labour Court, Buldhana	Complaint was filed by Prabhakar Patil on 1/12/2003 u/sec.28 read with Sch.IV item 9 of MRTU & PULP Act, 1971 alleging unfair labour practise by the company for terminating him from service. Complainant prayed for resinstatement with full back wages. Application was made by complainant on 1/12/2003 for interim relief. Reply was filed by the company against the application for interim relief on 17/11/2004. examination and cross of witnesses was taken. the reply was taken as written statement on 30/12/2006.		Settlement 22.11.2009
12.	Prakash Ite	ULP Case No. 79/04	Labour Court, Buldhana	Case was filed on 28/12/1992 u/sec.28 read with Sch.IV item 1 of MRTU & PULP Act, 1971 praying for reinstatement with full back wages and costs for the proceedings. Application to dismiss the case was made by the company on 30/1/1993. Application for interim relief was also filed by the company. Reply to the same was given by the company. Interim order was passed on 6/2/1993 allowing the application and ordered the temporary reinstatement with subsistence allowance. Written statement was filed. Application was made by the company on 2/3/2000 praying to the court to pass necessary orders.		Hearing 18.01.2010
13.	Sheshrao Wamanrao Najan	TU 1/6	Ind Court. Akola	Case was filed u/sec.28 (1-A) the Trade Union and Bombay Industrial Relations (Amendment) Act praying for the dissolution of the existing body of the Girmi Kamgar Sabha and complainants should be given recognition. The General Manager		Evidence 20.01.2010



				opposed his being made party to the case by filing application on 19/9/2006. This was opposed by complainants on 9/10/2006. Application for interim relief was filed by complainants on 30/1/2006. it was prayed by the company for dismissal of the petition on 13/2/2007. Application by the complainants raising objection was dismissed by order dated 20/4/2007.		
14.	Jitendrakumar, then Deputy Manager {Tech.}	U.L.P. No. 574/4	Labour Court, Buldhana	The Company was charged under section 28 read with item 1 of schedule IV of the M.R.T.U and P.U.L.P Act, 1971. Jitendra Kumar was appointed on April 7, 2002 as the Assistant Manager (Technical) of the Company by Joint President. On June 28, 2003 Jitendra Kumar was not allowed in the premises by the security guard as per the instructions of the Joint President of the Company. Jitendra Kumar had issued a notice through Registered AD to the Deputy General Manager of the Company as to the reason why he was terminated from his service without any prior notice. He was given a termination notice on July 3, 2003. Therefore Jitendra Kumar has filed a complain stating that the Company has indulged into unfair trade practice, and the termination notice is illegal and be set aside and the respondent be instructed to reinstate Jitendra Kumar on his usual post. On July 1, 2003 Jitendra Kumar has made an application for interim relief under section 30 (2) of the MRTP act and PULP act.		WS 19.01.2010
15.	Pramod Rameshwar Ingle.	W.C.A. No. 04 of 2007.	Labour Court, Buldhana.	Mr. P.R. Ingle suffered accidental injury while on employment and claimed compensation amounting to Rs. 46860 for the same. He claims that the entire amount was not paid. Applicant has prayed for Condonation of Delay.	Rs. 20,374/-	Written Statement 18.01.2010
16	Prabahakar Mane	ULP No.22/06	Labour Court, Yavatmal Industrial Court, Yavatmal	Case filed for retrenchment Case filed for Unfair Trade Practice	- -	Hearing date 31.12.2009



17	Ms. Lifayatbi. Shaikh. Rahman	Complaint (ULP) No. 7/06	Labour Court, Yavatmal	Complaint was filed by Kifayatbi Sheikh Rehman against the company on the grounds of Unfair Labour Practise. The complainant used to work on a manually operated machine (G-manual machine) which was replaced by a newer advanced machine. The complainant was allegedly not trained to operate it was told to operate the same when it did not have adequate safety measures. The complainant was involved in an accident on 30/03/1997 in which she got seriously injured and has become disabled. The complainant alleged that she was promised compensation and work but was given neither. She was removed from service without any notice. It was prayed by the complainant that her removal from service was unfair labour practise on the part of the company and that she should be reinstated with continuity of service and full back wages.	5,08,116	Pending- No date has been issued
18	Sheshrao Wamanrao Najan	ULP Case No.12/05	Labour Court, Buldana.	Complaint was filed by Sheshrao Najan on Dec.1996 read with sch.IV item 9 of MRTU & PULP against his termination order discharging him from service praying for reinstatement with full back wages and costs of the proceedings. Reinstated as per order of labour court on interim application. Case yet to be decided on merit.		Written Statement 22.12.2009
19	Girni Kamgar Sabha	BIR 1/8	Ind Court. Akola	Union matter for recognition.		Matter stayed in Labour court. 25.02.2010
20	Kamal Sitaram	162/04	Asst.Comm. of Labour Akola	The non-applicant files a written statement submitting that the applicant never served continuously for a period of five years and was not entitled to payment of gratuity under the Payments of Gratuity Act. The rate of wages is not in dispute.		Evidence.
21	T. C. Sharma	ULP 20/8	Labour Court Buldhana	Complainant filed application on Oct 2008 read with section 28 & section 7 sch. IV item 1{a }{b}{ f} of M.R.T.U. & PLUP act 1971 against his terminations from services, praying for reinstatement with full back wages		Labour court Order for reinstatement with 50% back wages we are preferring applil Industrial court/H.C 19.01.2010



22	S. B. Bajaj	ULP 21/8	Labour Court Buldhana	Complainant filed an application on Oct 2008 read with section 28 & section 7 sch. IV item 1 {a } {b} { f} of M.R.T.U. & PLUP act 1971 against terminations from services, praying for reinstatement with full back wages		Say 18.01.2010
23	S. P. Bhise	ULP 26/8	Labour Court Buldhana	Complainant filed an application on Nov. 2008 read with section 28 & section 7 sch. IV item 1 {a } {b} { f} of M.R.T.U. & PLUP act 1971 against terminations from services, praying for reinstatement with full back wages		Labour court Order for reinstatement with 50% back wages we are prefering applil Industrial court/H.C 19.01.2010
24	S. L. Sharma	ULP 25/8	Labour Court Buldhana	Complainant filed an application on Nov. 2008 read with section 28 & section 7 sch. IV item 1 {a } {b} { f} of M.R.T.U. & PLUP act 1971 against his terminations from services, praying for reinstatement with full back wages		Labour court Order for reinstatement with 50% back wages we are prefering applil Industrial court/H.C 19.01.2010
25	Madhukar	ULP 37/8	Industrial. Court Akola	Complainant filed revision against the order of labour court Buldhana dated 18.08.2008		Reply 14.12.2009
26	Janabai. Shivram	163/04	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.1		For Evidence
27	Arjun. Sakharam	164/04	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.1		Evidence
28	Kasabi. Rambhao	165/04	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.1		Evidence
29	Sumanbai. Kashiram	166/04	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.1		Evidence
30	Jagdeo. Sampat	176/04	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.1		Evidence
31	Chandrabhag a	155/05	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.1		Evidence
32	Gunfa. Hari	127/05	Asst. Comm. of Labour Akola	Same cause of action as mentioned in Sr. No.4		Evidence
33	Gajanan Khedkar	ULP 23/9	Labour Court Buldhana	Discharged for Lower Efficiency		Settled on 22.11.2009



34	Mohan Kalore	ULP 25/9	Labour Court Buldhana	Discharged for Lower Efficiency		Settled on 22.11.2009
35	Mohan Shelke	ULP 26/9	Labour Court Buldhana	Discharge for Loss of Confidance		SAY 22.12.2009
36	Baliram Ingle	ULP 29/8	Labour Court Buldhana	Demand for diff.for Gratuity with intrest		Appearance 21.12.2009
37	Pralhad Raut	ULP 27/9	Labour Court Buldhana	Discharged for Absentisim		04.01.2010
38	Madhukar	R ULP 37/8	Ind Court Akola	Revision against order of Labour Court		Reply 20.01.2010
39	Manish	R ULP 32/9	Ind Court Akola	Revision against order of Labour Court		Reply 20.01.2010
40	Ajay	RULP 52/9	Ind Court Akola	Revision against order of Labour Court		Appearance 28.01.2010
41	Murlidhar	ULP 35/7	Industrial. Court Akola	Company has filed ULP Revision against the order of Labour court Buldhana dated 05.04.2007		For Order 08.02.2010

ii. Labour Cases filed by BCIL:

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute (Rs)	Current Status
1	Girni Kamgar Sabha & Ors.	RULP 1/04	Labour Court, Buldhana	Application was filed by the Company on 7/9/1008 against the Girni Kamgar Sabha and their workmen u/sec.25(1) of the MRTU & PULP Act,1971 for declaring the go-slow policy adopted by the opponent No.1 and its members as illegal strike. Reply was filed by the opponents on 1/9/1998. Order was passed on the preliminary issue, whether the application made was tenable under law. The appeal was held maintainable. Caveat was filed by the company on 26.9.1998 praying for not passing any order without due notice. Application was filed by the company on 5/10/1998 for amendment of petition of reference due to sabotage and cessation of work by workmen. Reply was filed to the same by respondents on 8/10/1998. Order was passed on 17/10/1998 disposing the application. Application was filed by the company to lead evidence led through witness No.1 to 6 of the Respondents as evidence. Application was filed by the Company praying for permission to produce further evidence. Evidence and		Argument 18.01.2010



				examination of witnesses was conducted.		
2	Vardhan Syntex Kamgar Sangh, Mukunda Baburao Kharode, Gajanan Shamrao Mirge, Surendra Mahendra Jena, Nandkishor Kisanlal Sharma, Vitthal Rambhau Awatade, Vijay Deorao Modke, Ananda Vishwasrao Deshmukh, Samadhan Rajaram Zadokar and Udaibhan Deorao Patil.	R.U.L.P Case No. 3/4	Labour Court, Buldhana	The Company has filed a Complaint under section 25 of the M.R.T.U. and P.U.L.P Act, 1971 i.e. reference for declaration of strike as illegal. The Company filed a complaint against the Trade Union as the Union and its members had organized a meeting on January 8, 2004. Due to this none of the workers turned up for the shift for that day. There was a show cause notice put up calling upon the Applicants to state as to why the action should not be proceeded against them. The Company has filed a complaint stating that the Strike was illegal under section 24 of the MRTP and PULP act. The Company has asked the Court to declare that the workers enlisted who were in the second shift on January 8, 2004 of the complainant factory remained absent from work as they had entered to the snap strike and they were instigated by the Trade Union and its members and they did the said act without any vote or decision by non-applicant-B. They should also be held responsible for illegal strike.		For Evidence 19.01.2010
3	Sheshrao Najans & Nine others	ULP 1/8	Labour Court Buldhana	The company has filed complaint under section 25/8 M.R.T.U. For declaration of strike as illegal.		Matter stayed Next date awaited
4	Murlidhar	ULP 35/7	Industrial. Court Akola	Company has filed ULP Revision against the order of Labour court Buldhana dated 05.04.2007		For Order 08.02.2010
5	Najans & other	ULP 21/8	Industrial. Court Akola	Company has filed revised application against the order of labour court dated 06.05.2008		Hearing on 17.12.2009
6	ESIC Pune	9./2009	ESI Court Dhule	For Damages amounting to Rs.336029.00		Next hearing 16.12. 2009
7	ESIC Pune	10./2009	ESI Court Dhule	Interest amounting of Rs.205824.00		Next hearing date- 16.12.2009

**Civil Cases filed by BCIL:**

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute(Rs)	Current Status
1	Sandhya Enterprises	Sp. C.S. No. 8/2004	City Civil Court, Khamgaon	The Defendant Company was an agent of the Company and the contract (from 1/4/2002 to 31/3/2003) was renewed. A notice was served to the defendant by the advocates of the plaintiff to pay all the outstanding dues. The outstanding dues were not paid and the plaintiff filed a suit for recovery of the amount due on account in respect of the unpaid purchase price of goods with interest by way of damages and prayed decree be passed against the defendant for a sum of Rs. 1,58,223.92/- (i.e. Rs. 1,43,769.20/- outstanding debit balance, Rs. 14,454.72/- interest @ 12% p.a. by way of damages) and also the cost of the suit be awarded.	1,58,223.92	Decree to be executed
2	Aerovent Techno Fabs Engineers ("ATFE")	R.C.S. No.: 52/2006	In the Court Of Civil Judge Senior Division, Khamgaon	The Company had filed a suit for refund of purchase money plus damages. The Company had placed an order with the ATFE for supply of 4 Spot Humidifier Unit costing Rs. 6,900/- each. Out the four units supplied 2 were not functioning properly and hence the Company had send a number of letters to ATFE stating the problem with the 2 units and further stated that the defendant should arrange to replace the units. To this ATFE had assured the Company that it will take care of the complaint which was filed and send its representative to look into the matter. The	Decree awarded	Decree yet to be execute



				Company had filed a claim of Rs. 15,000/- and in the event of decree for damages is passed then interest on the decretal amount @ 12%p.a., alternatively be directed to supply 2 units by deducting the costs as per the bill and the cost of the suit.		
3	J. K. Textiles	Sp. C.S. No. 99/97	Court of Civil Judge Khamgaon.	Suit was filed for the recovery of money on account of the unpaid sale price, along with the interest. An amount of Rs. 15,00,000/- have been claimed along with interest @ 24 % p.a.	Rs. 15,00,000	Evidence Continued 23.12.09
4	S.P.Bhise	WP/19157/2009	High court Bench Nagpur	Against the order of Ind court on issue of Employee		15.12.2009
5	T.C.Sharma	WP/19158/2009	High court Bench Nagpur	Against the order of Ind court on issue of Employee		15.12.2009
6	S.L.Sharma	WP/19154/2009	High court Bench Nagpur	Against the order of Ind court on issue of Employee		15.12.2009
7	Ramrao. Sitaram. Patil	281/2005	Civil Court, Dhulia	The Company has filed a suit against Ramrao Patil for permanent and mandatory injunction alleging that the Defendant has carried out illegal construction in the Company's premises and the Plaintiff prays that the Court Commissioner be appointed and be directed to visit the property to inspect, observe the construction, encroachment etc. Court Commissioner in his report states that the construction is illegal.		Pending
8	1. Kailash Kobragade. 2. Namdeo. Ramteke. 3. Savitri. Ramteke. 4. Shastriram. Ramteke. 5. Bhaskar. Ramteke. 6. Kamlakar. Ture.		Civil Court, Ghatanji.	Case was filed by the Company against the following persons for encroachment into the Company's plot of land. The Court has given judgment in favour of the company but possession formalities are pending.	-	Case still pending for final possession orders.



7. Sambha. Ramteke. 8. Manohar. Ramteke. 9. Vishvanath. Ramteke. 10. Vithal. Chunarkar. 11. Tulsabai. Chunarkar. 12. Prakash. Bansod. 13. Bhola. Bansod. 14. Daulat. Khobragade. 15. Dadarao. Khobragade. 16. Pramod. Nanpar. 17. Ahilyabai. Nanpar. 18. Ramaji. Meshram. Ramdeo. Kaninde.					
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Criminal cases against BCIL : NIL

Criminal cases filed by BCIL : NIL

Notices served on BCIL:

Khamgaon Unit Synthetic Division

- 1. Company has received a Demand Notice for Rs 886.14 lakhs from Income Tax Department for the assessment year 2005-06**

A demand notice dated 28.12.07 for Rs.8,86,14,840/- from Income-tax Department for the Assessment Year 2005-06 whereas as per Return of Income, a refund of Rs.3,57,477/- was due. An preferred has been preferred to the Commissioner of Income-Tax (Appeals) on January 23, 2008 against the aforesaid order. We have been informed that matter is pending.

- 2. A show cause notice was served by the Maharashtra Pollution Board to M/S Khamgaon Syntex dated 28th Dec. 2006 { Notice no. MPCB/RO-AMT/2254 of 2006 }.The notice states that a sample had been taken from the unit on 14th July,06 & after testing the sample it was observed that most parameters were much beyond the prescribed limits. In view of the above a notice was served directing the Company to show cause as to why suitable action under the provisions of Water {Prevention & Control of Pollution} Act, 1974 and Air {Prevention & Control of pollution} Act, 1981 should not be initiated against the company and the company was required to reply to the notice within 7 days from the issue of notice .Next sample result improved and communicated to MPCB.**
- 3. A notice has been served by the Maharashtra Pollution Control Board M/S Vardhan Syntex dated 10th January, 2006 {Notice No. MPCB/PCI-III/TB/B-161}.This notice states that the Maharashtra Pollution Control Board Office has received a Status report of Vardhan Syntex Factory from the sub –Regional officer, Akola and Regional Officer, Amravati; the report states that Vardhan Syntex does not provide an**



adequate effluent plant treatment and disposing the effluent without treatment, which thereby causes nuisance to the surrounding area. On the basis of the report the company was called upon to remain present before the Member secretary of the Board along with relevant documents. At the present territory treatment scheme submitted and construction work under progress.

Dhule Unit

1. **A notice was served upon the Company by the Employee State Insurance Corporation on 25th July, 2006, stating that the Company has not paid the contributions as per the provisions of Employees State Insurance Act, 1948 and has also not submitted the returns of the contributions from April 2003 to March 2005.**

The said contribution of Rs. 59,193 was paid in 2 Installments as under :

Rs. 30,000 on 28.08.2006

Rs. 29,193 on 25.09.2006

Returns of contributions from April 2003 to March 2005 was submitted and the amount shown in the return for Rs. 5,812 was also paid on 11.03.2006.

2. Zenith Birla (India) Limited

1.1 A Composite Scheme of Arrangement has filed by Zenith Birla (India) Limited and Birla Precision Technologies Limited(BPTL) and Tungabhadra Holdings Private Limited (THPL)whereby Tooling Business of Zenith Birla will be transferred to Birla Precision and consequent allotment of shares of BPTL to the shareholders of ZBIL;

1.2 The Amalgamation of THPL with ZBIL and consequent allotment of shares by ZBIL to the shareholders of THPL. The Appointed date is 1st April 2008. The petitions filed by respective Companies were admitted and will be listed for final hearing as soon as the Report of Regional Director and Official liquidator will be filed.

i. Labour Cases filed against ZBIL :

Sr. No.	Case no.	Name of opposite party	Court before which litigation is pending	Brief history	Claim amount (Rs.)	Current status
1.	ULP 312/90	Purshottam	Labour Court, Buldhana	In 1990 a former workman of the Company, Mr. Purshottam had filed a petition in the labour court, Buldhana against the Company u/sec 28 of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 alleging that the Company has committed an unfair labour practice by removing him from service and has claimed reinstatement with back wages. The matter is still pending. Three other workers namely Prakash Fasale, Ram Prasad and Devendra have also filed petitions.	541894	Next hearing 18.01.2010



2	ULP 264/92	Prakash Ite	Labour Court Buldhana	Same cause of action as mentioned in Sr. no 1		Next hearing 18.01.2010
3.	ULP 6/96	Sheshrao Wamanrao Najan	Labour Court Buldhana	Workman Sheshrao discharged from service & he has filed a case in Labour Court, Buldhana for reinstatement and back wages. The company has reinstated him but the Case is pending for back wages	2,54,832	Evidence 22.12.09
4.	BIR/3/97	Girni Kamgar Sangh	Labour Court Akola	The action of the company to deduct wages for continuous absenteeism under the notice by its order dated 9 th October, 1997. The Complaint is now pending for evidence. The Company has issued notices dated 30 th September, 1997 to its workers informing them that in view of the continued absenteeism from the work, wages shall be deducted. The labour union filed a complaint in the Labour Court, Akola praying for not to deduct wages.		Next hearing date 07.12.2009
5.	REF/ULP/1/4 & 2/4	Girni Kamgar Sangh & Ors.	Labour Court Buldhana	The Company had filed a reference under Section 25 of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971, seeking a declaration that the employees adhered to a go-slow policy, which tantamounts to an illegal strike. Simultaneously, the General Secretary of the Girni Kamgar Sangh filed a Petition under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 in the Labour Court, Akola, challenging the lock-out by the Company. Both the matters are ordered to be heard together and are pending.	----	18.01.2010 Kept for Argument
6..	ULP 1/2006	Ganjanan Ingle	Labour Court Buldhana	Gajanan, a employee of the Company has filed a complaint dated 29 th July 2002 under Section 28 read with Item 1 of the MRTU & PULP Act, 1971 in the Labour Court, Akola as his services were terminated due to absence due to leave. He has prayed for reinstatement with	----	Next hearing date 18.01.10



				continuity in service and full back wages and the matter is pending.		
7.	ULP 559/4	Ghanshyam.M.Tiwari	Labour Court Buldhana	Ghanshyam M. Tiwari, a former Supervisor, has made an application in 2003 under Section 30(2) of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971, in the Labour Court Buldhana alleging that the Company has indulged in an unfair labour practice by orally terminating his services. He has prayed that he be reinstated in service with full back wages and continuity of service.	----	Next hearing date 18.01.10
8.	ULP563/4	Ajay	Labour Court Buldhana	Ajay Kisanrao Waghade, a former workman has filed a complaint before the Labour Court Akola, under Section 28 read with Schedule IV Item 1 [a] [b] [d] [f] and [g] of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 praying that it be declared that the Company has indulged in an unfair labour practice by terminating his services and that he be reinstated with back wages and continuity of service.	----	Relevant documents to be filed on 18.12.2009
9.	ULP574/4	J.K.Jadon	Labour Court Buldhana	Jitendera kumar, a former Asst Mgr{T} has filed a complaint with the Labour Court, Akola under Section 28 read with Schedule IV Item 1 of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 praying that it be declared that termination of his services was illegal and that he be reinstated with back wages and continuity of service.	----	Say 19.01.2010
10	ULP 572/ 04 ULP Case No. 572/2004 (old No. 90/2003)	M. Choudhari	Labour Court Buldhana	Murlidhar Prahlad Choudhari was a permanent employee of the Company. On 26 th February 2003, the company terminated Mr. Choudhari by issuing a charge sheet on the grounds of remaining absent. Mr. Choudhari filed a complaint in 2004 in the Labour Court, Buldhana under Section	----	Evidence 18.01.2010



				<p>30(2) of the MRTU & PULP Act, 1971 and states that his absence was due to illness, and prays that the Company be directed to reinstate him on his original post along with full salary. Whereas the Company contends that Mr. Choudhari was found guilty after holding departmental enquiry, and has admitted the charges leveled against him. The matter is pending in the Court.</p> <p>Complaint was filed by Murlidhar Chaudhari on 15/7/2003 u/ sec.30(2) of MRTU & PULP Act,1971 praying for reinstatement with full back wages and continuity of service declaring the order of termination on grounds of absenteeism illegal. Application for interim relief was also made by the complainant which was opposed by the company through reply cum application dated 22/8/2003. Application for interim relief was rejected by order date 27/10/2004. Written statement was submitted by the company on 17/3/2005. Application for interim relief was filed by complainant on 16/1/2007 to which reply was filed by the company on 27/2/2007. order was passed on 5/4/2007 partly allowing the application and directing the company to pay 50% wages to applicant till disposal of main complaint. Revision petition was filed by the company on 25/4/2007 and application for stay was filed. Reply was file by Murlidhar Chaudhari on 16/6/2007. Application was made by the company on 26/6/2007 for correcting order sheet. Notes of argument were submitted on 26/7/2007.</p>		
11.	ULP No. 705/ 04	Haribhau Bhikaji Charkhe	Labour Court Buldhana	Complaint was filed by Haribhau Chalke u/sec. 28, Sch.IV, item 1 of the MRTU & PULP Act alleging unfair labour practise by the company in discharging him	---	Evidence 22.12.2009



				from service. The complainant prayed for his reinstatement with continuity of service and full back wages. Application was made by complainant on 26/8/2004 for condonation of delay. Reply to the application was made by the company on 28/12/2004. Written statement in reply to the complaint was filed by the company on 24/3/2005.		
12.	ULP 137/02	Girni Kamgar Sabha	Industrial Court, Akola	Girni Kamgar Sabha has filed a case against the Company seeking appointment of learners as temporary workers. The case is still pending.		Next hearing date awaited
13.	C-231/95/And WP (C) 788/2006	R.K.Gupta	VIIth Labour Court, Delhi and High Court, Delhi	The Presiding officer of the Labour Court No. VII, has passed an award dated 26 th April 2005 directing that Mr. R.K. Gupta whose services were terminated by the Company, be reinstated in service. The Company has now filed a Writ Petition in the Delhi High Court challenging the award for which the necessary notice has been issued to the Respondent.	5,00,000	Court dismissed the application dated 24.01.08 submitted by RK Gupta u/s 17-B of Industrial Dispute Act. 22.03.10
14.	ULP 71/2000	Namdeo Baburao Dhulgande	Labour Court, Aurangabad	Namdeo Baburao Dhulgande was terminated from services on the grounds of continuous and recurring absenteeism from work. He filed a Complaint ULP/ 71/2000, in the Labour Court at Aurangabad, under Section 28 (1) read with Item 1(a), (b), (d), (f) & (g) of Schedule IV of the MRTU & PULP Act, 1971 quashing the impugned dismissal order thereby reinstating him in service with continuity and full back wages. The matter is on-going and the evidence of the complainant has been recorded and that of the Respondents is still pending.	----	Matter pending
15.	ULP 47/2001	Maharashtra Rajya Mathadi Transport & General Kamgar Union	First Labour Court, Thane	Case filed by the Union restraining the Company from terminating the Mathadi workers from its erstwhile Chemical Division. Ad-interim order was issued on	----	The Company has now filed an application to the First



				<p>4/4/2001 directing the Company to maintain the status quo in respect of the services of the Mathadi workers.</p> <p>Revision application filed by the Company with Industrial Court at Thane has also been rejected and the matter has again been referred back to the First Labour Court at Thane.</p>		<p>Labour Court at Thane for reviewing the Original Interim Order dated 4th April 2001.</p> <p>The next date of hearing in the matter is yet to be fixed.</p> <p>Matter Pending</p>
16.	126/ 2004	Amrutlal M. Patel	Third Labour Court, Thane	Case filed against the Company for quashing of termination order and reinstatement into the services.	----	Matter Pending
17.	ULP 46/ 2002	Mumbai Mazdoor Sabha	Labour Court, Nashik	Case filed by the Mumbai Mazdoor Sabha on behalf of the employees Mr. Gosavi, who has been dismissed by the Company. The case has been filed for his re-instatement with full back wages.	Not ascertainable	Matter pending
18.	W/P 2574/ 2002	Association of Engg. Workers	Bombay High Court	<p>The Union has filed a case against the Company challenging the termination of workers belonging to the erstwhile Special Steel Division. Earlier, the Industrial Court at Thane upheld the Company's decision. The writ petition filed by the Association of Engg. Workers will appear for final hearing in due course.</p> <p>The trial court has decided in favour of the Company regarding transfer to the special steel plant and rejected demand of reinstatement of about 263 workmen.. The trial court has decided in favour of the company which is challenged by way of writ petition by the union. It is learnt over 250 workers have settled with the employer.</p>	Not ascertainable	Matter Pending for final hearing



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19.	W/P 2026/ 1998	C. L. Johney	Bombay High Court	Case filed against the dismissal from service due to negligence while on duty. Earlier the Labour Court and Industrial Court has upheld the Company's decision. This petition was filed by the workman C L Johny challenging the order of the trial courts under MRTU & PULP Act. He seeks relief of reinstatement with full back wages w.e.f. 14.09.1992.	----	The petition is pending disposal and not come up for final hearing so far.
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ii. Civil Cases filed against ZBIL:

Sr. No.	Case no.	Name of opposite party	Court before which litigation is pending	Brief history	Claim amount (Rs.)	Current status Hearing
1.	Long Civil Cause Suit No. 960/88	Paschimanchal Udyog	City Civil Court, Ahmedabad	A suit was filed in the year 1988 by a Company called Paschimanchal Udyog, claiming refund of Rs.50,000/- advanced to the Company for service charges for importing certain materials. The Company has denied the contentions as false and the suit is pending.	50,000 Case Dormant	Case Dormant
2.	T.E.&R . Suit No.24/25 of 2001	Hillcrest Constructions	Small Causes Court, Mumbai	Hill Crest Constructions (HCC), the owners and landlords of residential premises, had accepted the Company as a monthly tenant in respect of the same. HCC terminated the tenancy on the ground that it needed the premises for its own use. The Company, however, did not vacate the premises. HCC has therefore filed a suit in the Court of Small Causes at Bombay to obtain possession of the premises, and to obtain mesne profits as may be deemed fit by the Court. The Company has filed an Application for stay of the suit on 5 th August 2003 and the suit is pending. The date of hearing was 14 th August 2007 and the Company has been asked to hand over possession of the property before 30 th November, 2007. The Company has filed appeal against the order and matter is pending.		The next date of hearing is 14 th December, 2009
3.	Special Civil Suit No. 675/04	Praj Industries Ltd.	City Civil Court, Pune	Praj Industries has filed a Special Civil Suit No. 675/04 against the Company in City Civil Court at Pune for the specific performance of a contract and recovery of unpaid consideration amounting to Rs.25,00,000 inclusive of the interest payable on the principal amount. Pay an interest of 18% p.a. on amount of Rs. 15,35,919/- from the date of the suit till the amount is paid. The Company has challenged the jurisdiction and the matter is pending for order.	25,00,000	Matter is over



4.	W.P.24 74/199 2	Ramson Enterprises	Delhi High Court	Ramson Enterprises, a dealer of the Company has filed a suit in 1992 in the Delhi High Court for recovery of Rs.15 lakhs towards an unpaid bill. The company in turn filed another civil suit in the High Court of Punjab and Haryana for recovery of Rs.7,72,912 along with interest @ 18% p.a. which was stayed till the decision of the previous suit instituted by Ramson Enterprises.	15,00,000	The above mentioned RFA ("Regular First Appeal") has been filed by us against the order of the Addl. District Judge. The said appeal came up for hearing for the first time on 30.04.2009 when after hearing the undersigned, the Court had agreed to summon the record of the Trial Court. The matter is now listed before the High Court on 29 th January, 2009
5.	25/199 3	Lohia Dyes & Chemicals	Rajasthan High Court	A Suit was filed by Lohia Gum & Chemicals Industries against the Company in 1991 for recovery of Rs.47114.80/- in the District Court, Jodhpur and an order was passed against the Company. The Company filed an Appeal against the order of the District Court, but the Appeal was dismissed. The Company has filed an Appeal in the Rajasthan High Court in August 2005 against the impugned order, which is pending.	47,115	Matter is pending.-
6.	-----	Shree Yarns Industries Ltd.	Board Level Review Committee of Punjab State Electricity Board	A petition was filed by Shreyans Industries Ltd. on 20 th May 2002 against the Punjab State Electricity Board (PSEB) in the Dispute Settlement Authority, PSEB. An order was passed on 25 th August 2003 against Shreyans Industries Ltd. for a claim of Rs.19,57,000/- Shreyans Industries Ltd. made a counter claim on Zenith Ltd. as the Paper Division was purchased from the Company. Shreyans Industries prays that the amount claimed by PSEB should be paid by the Company. An appeal was made by the Company against the PSEB and Shreyans Industries Ltd. against the orders dated 25/8/03 passed by Dispute Settlement Authority of the PSEB, Patiala	19,57,000	Matter is pending.



				whereby PSEB was allowed to charge energy loss for the period from July 1988 to 3/12/1992 and the Company prays that it is not liable to pay any amount.		
7.	75/92	Royce Dyestuffs	Court of the Additional District and Sessions Judge, Delhi.	A suit was filed in the Court of the Additional District, Delhi, on 15 th November, 1991 by Royce Dyestuffs Company against Zenith Ltd. for recovery of Rs. 99,999/- for the goods supplied to the Company. An ex-parte money decree was passed against the Company for Rs. 99,999/- with interest on 22 nd July, 1996. Zenith Ltd. applied under Order IX, Rule 13 of the Code of Civil Procedure, 1908 for setting aside the ex-parte decree and order dated 22 nd July, 1996 in the Court of the Additional District and Sessions Judge, Delhi on 23 rd August, 1997.	99,999	Matter pending is
8.	Reg.Mu .No.80/ 2005	Umga Gears Pvt.Ltd.	District Court, Nashik	Recovery Suit was filed by Umga Gears as the Company had rejected the materials supplied by them as the same is not as per the quality specifications of the Company. Order was passed favouring Umga Gears on 31/3/2007 and the Company was decreed to pay Rs.24,369.66 to the party. The Company filed an appeal against the said order on 6/6/2007.	24,369.66/-	Matter pending. is
9.	59/93	Jayram Mukund Patil/ Vasudev J. Patil & others	Civil Court, Palghar. Dist. Thane.	Suit filed claiming encroachment of land adjacent to factory boundary at erstwhile Chemical Division at Tarapur, Dist. Thane.	----	Matter pending. is
10.	OS 99/ 2006	Deccan Chromates Ltd.	City Civil Court, Hyderabad	A suit was filed against the Company claiming the recovery of outstanding dues towards supply of materials to the erstwhile Chemical Division. The Company has denied the contentions as false and the suit is pending.	24,89,385	Matter pending is
11.	LC Suit No 3677 of 1988	Bombay Port Trust	City Civil Court, Bombay	Amount claimed is towards statutory charges.	19886-28	Not known
12	--	Bultmann Gmbh	International Chambers of Commerce, Zurich	Bultmann Gmbh was awarded contract for supply of machinery to the Company.	US \$3,60,972	Plaintiff has withdrawn the action

**iii. Cases pertaining to Excise/ Custom/ Income Tax/ Sales Tax Laws filed against ZBIL:**

Sr. No.	Case no.	Name of opposite party	Court before which litigation is pending	Brief history	Claim amount (Rs.)	Current status
1.	SLP (C) 17825 of 2006	Commissioner of customs (Preventive), Mumbai.	Supreme Court of India, Delhi	Petition filed by the Customs Department against the stay order passed by CESAT in the matter of department's claim of Rs.71.80 lakhs towards recovery of duty on the Import of Gold under Special Import License.	71,80,208	The matter is yet to be listed
2.	Appeal no. E/ 1623/ 94-A	Central Excise Department	Commissioner of Central Excise, Mumbai	Appeal filed by the Central Excise Department against the deductions allowed by the Collector (Appeals) in respect of cash discount given by the Company's Tool division to its customers.	Not ascertainable .	On going
3.	Appl. No. E/ 2507/ 04 Mum	Central Excise Department	Dy. Comm. of Appeal Amravati	The matter is related to dispute on assessable value, where the Dy. Commissioner levied the excise duty on commissions paid to agents for yarn sales. The Company went into appeal against the said levy to the Commissioner (Appeals) who up-held the order of Dy. Commissioner on which the company filed an appeal in the CEGAT, which referred the matter back to Dy. Commissioner, where it is currently pending for final decision.	4,96,000	Matter is pending.
4.	V/ 48/ D/ 74/ Adj/ 94 dt. 25.09.19 81	Central Excise Department	Collector of Central Excise Chandigarh	The Company received a notice dated 2 nd February, 1994 from the Collector, Central Excise, Chandigarh, claiming that the Company had contravened with the provisions of the Rules 9(1), 173F, 173G and 226 of the Central Excise Rules, 1944 and asking the Company to show cause as to why the sum of Rs. 1,14,53,344/- on account of short payment of excise duty on 2416.04 IMT of paper should not be recovered from them under the proviso to Section 11-A of the Central Excise and Salt Act, 1944 and why penal action should not be taken against them under Rules 9(2), 173-Q and 226 of the Central Excise Rules, 1944. the Company has submitted a detailed reply to the said notice and has prayed that the proceedings be stopped. The matter is pending.	1,14,53,344	On going



5.	Appl No. E/ 2109/ 92-NB (DB)	Central Excise Department	Collector of Central Excise, New Delhi.	The Collector passed an order dated 29 th January 1992 demanding duty of Rs.11,86,325.32/- and Rs. 4,00,000/- as penalty on the ground that the Company had paid less excise duty than that which was due. The Company appealed against the said order on the 27 th November 1997 to the Customs, Excise & Gold (Central) Appellate Tribunal, New Delhi (CEGAT), which was dismissed by order dated 19 th December,1997. the Company filed an application for rectification of mistake in the said order dated 19 th December 1997 before the CEGAT on 21 st March 1998. In response to the Company's application for rectification, an order was passed by the CEGAT on 10 th July 1998 for adjustment of MODVAT cess. Final adjustment orders are yet to be received.	15,86,326	On going.
6.	----	Asst. Comm. of Central Excise, Boisar, Thane	----	Demand cum show cause notice dated 24 th March 2006 received from the Asst Commissioner of Central Excise, Boisar, Than e, claiming wrongful availment of CENVAT Credit on certain Capital Goods at the erstwhile Chemical Division at Boisar, Thane, which the Company has challenged.	1,17,033	On going.
7	O-In-O No. 177/PG/ AC/EXP /08-09 dt. 06.02.09	Customs Department	Commissioner of Customs (Appeal)	Order passed by Commissioner of Customs for refund of export duty. Appeal filed with Commissioner of Customs (Appeals) Mumbai .	42,87,413/-	Pending with Asst. Comm. (Exports) for refund approval
8.	SCN No.V/ ADJ(SCN) ST/15- 195/ Rgd/06- 07 dt. 20.2.2007	Excise Department	Commissioner of Central Excise (Appeal)	Appeal filed with Commissioner of Central Excise (Appeals) Mumbai & Appellate Commissioner passed the order rejecting the same. The Company has filed a appeal before the Hon'ble Customs, Excise and Service Tax Appellate Tribunal, West Zone Branch.	16,91,358/-	The tribunal passed the order bearing no.D/348/ 09/CST/B /C II dated 12/08/09 in our favour and waived the pre deposit & other dues like penalty.



9.	SCN No.V/A DJ(SCN) 15- 199/Zeni th/RGD/ 08- 09/1109 7 Dt. 07.11.20 08	Excise Department		The Company has not yet replied to this show cause notice, which is for demand of duty.	1,03,89,577/-	Awaiting next date of hearing.
10.	SCN No.V/A DJ/15- 132/ RGD/07- 08/ 3704 dt. 08.04.20 08	Excise Department	Commissioner of Customs & Central Excise (Appeals)	The Company has filed appeal for Service Tax claim on Overseas Commission.		Notice for personal hearing not received.
11.	SCN NO. V/P1/RG D/Gr.- 1/12- 4/07/Part III dt. 15.01.20 09	Excise Department		The Company has not yet replied to this show cause notice, which is for service tax in respect of CHA.		Awaiting next date of hearing.
12.	SCN NO.V/A DJ9SCN)15- 105/RG D/07- 08/273 DT. 07.01.20 08	Excise Department	Commissioner of Central Excise	The Commissioner has passed a order for demand of duty and interest and penalty for clearance of Zinc dross/Ash without payment of duty.	95,49,658/- +interest & penalty Rs.500,000/-	Last date of hearing 10.09.09 Our case not come up for hearing & court was adjourned
13.	SCN NO.Cus(M & P)ALB/P NP07/20 08/1661 DT.30.0 5.2008	Customs Department	Commissioner of Customs (Appeal)	Demand of redemption fine of Rs.14.75 lakhs on Zenith Birla (India) Limited and Rs. 2.5 Lakhs on Shri N.K. Chaudhari	14.75 lakhs +Rs.2.5 lakhs	Company has filed an Appeal with CESTAT ON 13.08.2009
14.	SCN No.V/Ad j./SCN/1 5- 166/Zeni	Customs Department	Commissioner of Central Excise,	The Company has replied to the Show Cause Notice on 12 th August, 2009.	35,32,236/-	Next Hearing not fixed by the Excise



	th/RGD/ 07-08, New Panvel dt. Jan, 2009		Raigad Division			departme nt
15.		Joint Comm. Sales Tax Bangalore	Karnataka Appellate Tribunal	As per the Assessment Order dated 18 th June 2003 passed by the Deputy Commissioner of Commercial Taxes (Assts.), Bangalore under Section 13(5) of the Karnataka Tax on Entry of Goods Act, 1979 for the Assessment year 2000-01, the Company was liable to pay an amount of Rs.13,81,931/-. The Company appealed before the Joint Commissioner of Commercial Taxes (Appeals), Belgaum but the appeal was dismissed on 14 th July 2004. The Company has appealed before the Karnataka Appellate Tribunal at Bangalore on 30 th August 2004 against the order dated 14 th July 2004 and the appeal is pending.	13,81,931	Matter is pending
16.	V/P-1/ Raigad/ Gr.- 1/Int- Comm/0 6/Pt1/16 50 dt. 13.02.08	Central Excise Department	Additional Comm. Of Central Excise	Show Cause Notice issued by Additional Comm. Of Central Excise, Raigad due to non payment of service tax on Commission charges on the service provided by non-residents and rendered outside India.	Service tax amounting to Rs. 2490787 is payable from 09.07.04 to 31.12.06. Of this Rs. 1617255 is already paid through TR6 Challan. Interest under Section 75 and penalty under Section 76, 77 & 78	Hearing date awaited
17.	V/ADJ/1 3/Zenith/ KPL/09- 10/1052 0 dt. 05/10/20 09	Central Excise Department	Asst. Comm. Of Central Excise, Khopoli Division	Show cause notice issued by Asst. Comm. Of Central Excise Khopoli Division in connection with financial charges from Sept 08 to June 09 amounting to Rs. 1783/-	Rs. 1783/-	Show cause reply made to Asst. Comm of Central Excise, Khopoli Division on 22/10/09



iv. Civil Cases filed by ZBIL :

Sr. No.	Case no.	Name of opposite party	Court before which litigation is pending	Brief history	Claim amount (Rs.)	Current status
1.	ULP 01/ 04	VSKS	Labour Court Akola	The Company has filed a case in the Labour Court against the Labour Union for declaration of strike by workers as illegal. The case is pending.	----	For evidence Date not known
2.	RCS 99/97	J.K.Textiles	City Civil Court, Khamgaon CIVIL CASE	The Company has supplied materials to the above party under various invoices, which were outstanding for payment. Inspite of repeated reminders, the party failed to make payment. Hence, the Company filed the suit for the recovery of its outstanding dues. Written statement on behalf of D(3) has submitted that no relief shall be claimed against D(3) Appl made on 14.11.05. Case pending since then.	15,00,000	Evidence Date not known
3.	CS 56/ 99	K.S. Suppliers	City Civil Court, Khamgaon	The Company had filed a suit in the City Civil Court, Khamgaon on 29 th September, 1999 to recover an amount of Rs. 22,00,000/- from M/s. K.S.Suppliers, who had been appointed as a sales representative by the Company. The Court has passed a decree in 2004 in favour of the Company for Rs. 14, 56, 000/- with interest.	22,00,000	Execution of decree pending in Mau (U.P.)
4.	CS 8/04	Sandhya Enterprises	City Civil Court, Khamgaon CIVIL CASE	M/s Sandhya Enterprises were the agents of the Company for a period from 1 st April, 2002 to 31 st March, 2003. M/s. Sandhya Enterprises was to sell goods and it was agreed by the Company to pay brokerage or commission to them as per the contract. Under the given arrangement, an amount of Rs.1,45,584.20 became due and outstanding to be paid to the Company by M/s. Sandhya Enterprises and hence the present Suit was filed by the Company to recover the said amount with appropriate interest. The matter is still pending.	1,45,584.	Decree to be executed
5.	Suit No. 868 of 1994	Khatri Bros.& Anr.Bros.	High Court, Bombay.	The company has filed a Suit in the Bombay High Court against Mr.Hiralal Ratanlal Khatri and Mr.Sanjay Hiralal Khatri for the recovery of Rs. 11,92,710 on account of dishonour of cheques. The summons have been issued but the defendants are absconding.	11,92,710/- with interest on principal amount	Pending as the defendants are absconding
6.	Suit No. 3174 of	Khatri Bros.	High Court, Bombay.	The Company had filed a suit dated 3 rd September 1992 in the High Court at	12,26,247/-	Execution of decree



	1992.			Bombay against M/s. Khatri Bros. & Anr. To claim an amount of Rs.12,26,247 being the amount owed under three invoices, and interest on the same up to the date of filing of the suit. An ex-parte decree against defendant No. 1 & 2 was passed by the High Court on 23 rd August 1993 granting the said amount to the Company. Suit pending against other defendants for final hearing		pending.
7.	Suit No.2800 of 1992	Shree Mahalaxmi Agencies Pvt.Ltd.	High Court, Bombay.	The Company had filed a suit in 1992 in the High Court against Shree Mahalaxmi Agencies Pvt.Ltd. for the recovery of Rs.10,58,642/- being the principal and interest against the supply of zinc scrap by the Company to them. The Court passed an ex-parte decree on 30 th June 1998 favouring the Company.	10,58,642/-	Decree yet to be executed
8.	Suit No. 728 of 1982.	Modi Dyes and Chemicals Industries.	High Court, Bombay.	The Company had filed a Suit in 1982 in the High Court, Bombay against M/s. Modi Dyes and Chemicals for recovery of Rs.1,12,689.64/- alongwith interest on Rs.94,480.60/- @21% p.a. from the date of filing the suit. The Court passed an ex-parte decree on 23/7/1993 against the other party for Rs.3,40,946.26/-	3,40,946.26/-	Decree time barred.
9.	Suit No. 4507/ 93	K.K.Goyal	High Court, Bombay	Suit filed for recovery of balance amount of car loan and liquidated damages for abandoning services while under contract. Ex-parte decree passed on 1/4/1999 in favour of the Company, could not be executed as the party is now absconding.	2,57,420/-	The party is absconding
10.	4256/ 2000	Praj Industries Ltd.	High Court Bombay	M/s. Praj Industries Ltd. has entered into a contract with the Company for commissioning a ring dryer plant. The contract was breached by Praj Industries Ltd., and the Company has filed a suit in the year 2000 in the High Court, Bombay to recover the sum of Rs. 80,76,300 together with interest on Rs. 79,18,000 @ 24% p.a. The suit pending and has not yet come up for hearing.	80,76,300	Matters is over
11.	Suit No.6620/1987 and First Appeal No.855 of 1990	Board of Trustees of Bombay Port Trust	City Civil Court	Suit No.6620 of 1987 was filed by the Company for recovery in respect of 65 bales of waste paper. Order was passed on 30/8/1990 and a decree for Rs. 28275.04 was made in favour of the Company. BPT has gone in for Appeal in High Court against the decree of the City Civil Court. First Appeal was preferred by BPT which was dismissed by order dated 17 th December 2007	68,820/-	Disposed off. Decree yet to be executed.



12.	Suit No.389 7of 1988	Indian Roadways	High Court, Bombay	The Company had an agreement for transportation of goods with the Indian Roadways Corporation. Indian Roadways Corporation failed and neglected to deliver the goods to the Company. The Company had filed a suit in the year 1988 in the High Court to recover Rs. 4, 49,200/- with interest from the Indian Roadways Corporation.	4,49,200/-	Yet to come up for hearing.
13.	S.S.392 3 of 1988	Kota Steel Re-rolling Mills Pvt. Ltd.	High Court Bombay	The Bombay High Court has passed an ex-parte decree dated 9 th January, 1984 for Rs.1,96,906.50 plus interest @ 2% per annum from 19 th March 1982 in favour of the Company in a suit filed by the Company against M/s. Kota Steel Re-rolling Mills Pvt. Ltd. the decree was not executed and it is presently time-barred due to a lapse of 12 years..	2,38,255.50/-	Execution of decree time barred
14.	S.S.392 3 of 1988	Deege Steel Traders	High Court Bombay	Recovery suit filed by the Company. The Court has passed ex-parte decree on 17/4/1989 in Company's favour for sum of Rs. 8,72,110 which is yet to be executed as the property declared by the partners of Defendants firm are not sufficient to recover full dues.	8,72,110	Decree is yet to be executed.
15.	C.P.No. 18/85	D.V.Raju Springs Pvt.Ltd.	High Court, Hyderabad.	The Company had filed a suit in the year 1985 against D.V.Raju Springs Pvt.Ltd. for the recovery of Rs.3,33,392/- in the High Court at Hyderabad. The Respondent company has been wound up and the Company has filed its claim with the Official Liquidator, Hyderabad.	3,33,392/-	The Respondent Company has been wound up and the Company has filed its claim with the Official Liquidator, Hyderabad. Claim is yet to be executed
16.	Appeal No. 769 of 1998 in Com.Petition No.408 of 1997	Grand Foundry Limited	High Court, Bombay.	The Company has filed a Petition in the Bombay High Court on 4 th April 1997 for winding up of Grand Foundry Limited because of their failure to repay Rs.25,00,000/- which was a part of the Inter-Corporate Deposit granted by the Company to the other party. The Court by its order dated 10 th July 1998 admitted the petition. The other party filed an Appeal against the said order, which was dismissed	25,00,000/-	Petition already admitted., BIFR proceedings of respondent still pending. Hence,



				on 3/8/1989. The Co. Petition No 408 of 1997 is pending before the Company Judge for hearing and final disposal. The amount is still to be recovered as the other party has been referred to BIFR.		matter was adj, to be listed under caption 'directions'. Next Date of Hearing: 10.12.09
17.	C.P.No. 436/ 97	Western Paques India Limited	High Bombay Court	The Company has filed a company petition in the High Court, Bombay, for winding up of Western Paques (India) Ltd. (WP) because WP failed to pay the outstanding principal and interest of Rs. 85,00,000/- towards inter-corporate deposit given to it by the Company. The Court has ordered for the winding up of the party in 1999. The Company is in the process of filing its claim with the Official Liquidator.	85,00,000	Claim yet to be filed
18.	1985/19 94	D.K.Mehta	High Bombay Court	The Company had filed a suit in the year 1994 in the High Court of Bombay against Devendra Kumar Mehta to recover a sum of Rs.2,30,496.65 towards an amount advanced to him for the purchase of accomodation, including interest on the same. In the same suit Mr. Mehta has filed counter claim of Rs3,74,272.36/- towards monthly salary deduction/superannuation fund /increment/compensation for loss of car/gratuity/ LTA & Medical entitlement. Written statement to the counter claim has been filed. The suit is yet to come up for hearing.	3,74,273 as claimed by Defendant in court claim	Yet to come up for final hearing
19.	28/ 1997	Ramson Enterprises	Punjab & Haryana High Court	The Company had filed civil suit no. 37/93 against Ramson Enterprises, for the recovery of Rs. 7,72,912/- in the Punjab & Haryana High Court, which was stayed vide an order dated 27/9/93, till the decision of the previous suit, instituted by the petitioner at Delhi.	7,72,912/-	Matter is pending
20.	123/ 98	Meghdoot Publishers & Ors.	Punjab & Haryana High Court	The Company had filed an Appeal dated 10 th January 1992 in the Punjab & Haryana High Court against the award dated 10 th March 1998 of the Arbitrator directing the Company to pay Rs. 2,50,000/- to Meghdoot Publishers towards security deposit lying with the Company and rejecting the Company's claim of Rs. 11,11,942/- towards material supplied to Meghdoot Publishers. The appeal is pending.	11,11,942	



21.	Civil Suit No. 2/93 and Civil Appeal No. 20/2003	State of Maharashtra through Executive Engg. Raigad	Civil Judge Sr. Division at Panvel and Dist. Judge, Panvel and District Court at Alibaug, Raigad.	The suit was filed against State of Maharashtra for restraining the Company from lifting the water from the Patalganga river and charging exorbitant rate for water drawn. The Hon'ble Court passed the judgment on 20.10.2003 in favour of the Company, allowing it to un-interrupted lifting of water at the prescribed nominal rate. The State of Maharashtra has now gone into Appeal in the District Court at Alibaug against the said judgment and the matter is pending.	Not ascertainabl e	next date of hearing not known
22.	R.C.S. No.333/2004	Maharashtra Industrial Development Corporation, Nashik	Court of Hon'ble Civil Judge, Senior Division, Nashik.	On 6/07/2004, MIDC issued a notice of repossession of Plot No.61 at MIDC, Nashik that has been leased to the Company. Inspite of repeated request, MIDC has refused to withdraw the notice. Hence the Company has filed a case, seeking injunction against MIDC for taking possession of the said plot of land and not to disturb the possession and grant any equitable relief in favour of the Company. On 30 th September 2004, the Hon'ble Court has issued a stay order to MIDC from repossessing the plot till the final disposal of the matter.	Not ascertainabl e.	As on date the written statement is pending from MIDC
23.	Spl. Civil Suit 10/2005	Grinden India Pvt. Ltd.	Court of Civil Judge, Nashik.	Case was filed by the Company on 21/12/2005 for recovery of dues having supplied material to the defendant company, which was accepted.	26,02,415/-	Pending.
24.	Suit 5084/2000	New India Assurance Co. Ltd.	High Court, Bombay	Case filed against the insurance company for rejecting the Company's insurance claims towards loss of 1000 MT of Soda Ash imported from Romania was meant to be discharged at Mumbai Port which, due to un-authorized diversion of ship to China by the shipping co.	1,47,11,506/-	The matter is pending for filing of written statement. The matter will now appear before the Prathonotary and Senior Master for directions.
25.	Suit No. 1454/88	Paschimanchal Udyog	High Court, Mumbai	Case filed by the Company against Udyog for a recovery of a sum of Rs. 53,314/- along with interest of Rs. 27,386/- as balance amount for service charges and expenses incurred for opening of a Letter of Credit and extending it from time to time.	80,700/-	Pending for final hearing



THE YASH BIRLA GROUP



BIRLA SHLOKA EDUTECH LTD

26	SS no. 2083/83	Amitabh Textiles Mills Ltd.	High Court, Mumbai	The Company has filed a Summary Suit on 10 th October, 1983 for recovery of a loan granted to Amitabh Textiles Mills Ltd. and has claimed the amount with interest on Rs. 3.00 lakhs @ 17% p.a. the defendants have been granted unconditional leave to defend the suit	5,05,000 + interest	Yet to be taken on Board
27.	S.S. No.121 0/1987	Creations (India)	High Court	The Company and Creations (India) had agreed that Creations (India) would arrange for an irrevocable letter of credit from the Minerals & Metal Trading Corporation of India Limited, New Delhi, for the Company on the payment of an advance of Rs.50,000/-. On failure on the part of Creations (India) to do so, the Company has filed a suit in the year 1987 in High Court, Bombay for the recovery of Rs.72,750/- alongwith interest . The suit is yet to come for hearing		Yet to come up for hearing
28.	S 1497 of 1987	Kaithan Fenesty holdings P Ltd.		Suit filed to recover sum of Rs. 29100 with interest @ 21% on 24405. The claim in the suit is relating to recovering balance demurrage & detention charges	29100	Not known
29	L 1648 of 2009	K & K Enterprises	High Court, Mumbai	The Company had exported steel pipes to K & K enterprises in US, who was acting as its agent in the US. However the invoices raised by the Company are not paid	25,31,065 + interest amount	Hearing date awaited

v. Criminal Cases filed by ZBIL

Sr. no.	Case no.	Name of opposite party	Court before which litigation is pending	Brief history	Claim amount (Rs.)	Current status
1.	106/ N/20/00 (The old case no. was 524/N/96)	Harbanslal Sharma	Metropolitan Magistrate	The company filed a complaint against Harbanslal Sharma in CBI/ CID- Mumbai for cheating the Company under Section 420 of the Indian Penal Code and filed a suit for recovery of Rs.5,98,000/- the Metropolitan Magistrate, 28 th Court passed an order to dispose off the property and to deposit a sum of Rs. 2,27,912 in fixed deposits in State Bank of India, Mumbai initially for the period of 12 months in the name of the learned Metropolitan Magistrate, 28 th Court, Shri. Risbud. The Company is yet to recover the amount.	5,98,000/-	Accused absconding, case dormant
2.	59/ S/ 1996 and 1164/ 03	V.D. Chokhani	High Court, Bombay	The Company has filed a Criminal Application in the Bombay High Court for leave to Appeal against the order dated 25 th March 2003 passed by the Metropolitan	----	Yet to be taken on Board



				Magistrate, Kurla, Mumbai acquitting Mr. V.D. Chokhani, an ex-employee of Indian Tool Manufacturers in a complaint filed by the Company under Section 630 of the Companies Act, 1956. the Application has been admitted and is pending for hearing.		
3.	CRPC 663/ 2003	Paradyne Infotech Ltd.	Judicial Magistrate Court, Nashik	The Company has filed Criminal case of cheating u/s. 420 of the Criminal Procedure Code referred with section 34 of the Indian Penal Code as they failed to make payment for the old computer systems purchased from the Company.	80,000	Rs 80,000/- required to be paid to us by partry

vi. Cases pertaining to excise/ customs/ income tax/ sales tax laws by ZBIL

Sr. no.	Case no.	Name of opposite party	Court before which litigation is pending	Brief history	Claim amount (Rs.)	Current status
1.	1829/ 82	Custom Department	High Court, Bombay	The Company had imported certain goods, in respect of which the Customs Authority did not accept the CIF value as declared in the contract, invoice and bill of entry and enhanced the same arbitrarily. The Company has therefore filed a writ petition in the Bombay High Court in the year 1986 under Articles 14, 19 (1) (g), 226, 265, 300A and 301 of the Constitution of India and has given a bank guarantee for Rs. 2,95,799/-. The Company has also undertaken that in case the petition fails, the Customs Authority would be entitled to the amount with interest @ 18% per annum. The case is pending.	2,95,799	Yet to come up for hearing
2.	1826/ 86	Custom Department	High Court, Bombay	The Company had imported certain goods, in respect of which the Customs Authority did not accept the CIF value as declared in the contract invoice and bill of entry and enhanced the same arbitrarily. The Company has therefore filed a writ petition in the Bombay High Court in the year 1986 under Articles 14, 19(1) (g), 226, 265, 300A and 301 of the Constitution of India and under the Customs Act, 1962. The Company has given a bank guarantee for Rs. 49,036/-. The Company has also undertaken that in case the petition fails, the Custom Authority would be entitled to the amount with interest at the rate of 18% p.a. The case is pending.	49,036	Yet to come up for hearing
3.	----	Joint Comm. Sales Tax	Karnataka Appellate Tribunal	As per the Assessment order dated 18 th June 2003 passed by the Deputy Commissioner of Commercial Taxes (Assts.), Bangalore under Section 13(5) of the Karnataka Tax on Entry of Goods Act, 1979 for the Assessment year 2000-01, the Company was liable to pay an amount of	13,81,931	The matter is pending



				Rs.13,81,931/-. The Company appealed before the Joint Commissioner of Commercial Taxes (Appeals), Belgaum but the appeal was dismissed on 14 th July 2004. The Company has appealed before the Karnataka Appellate Tribunal at Bangalore on 30 th August 2004 against the order dated 14 th July 2004 and the appeal is pending.		
4.	W.P. No. 3419 of 1996	M/s Commissioner of Provident fund	High Bench at Aurangabad	The Company's Aurangabad section was entitled to be exempted from the provisions of the Employees Provident Fund Act, 1952 for a period of three years from the date of its set up, i.e. 25 th July, 1989, as per Section 16 (d) of the Employees Provident Fund Act, 1952. accordingly, the Company claimed 'infancy protection' from the Assistant Regional Provident Fund Commissioner, Employees Provident Fund Organisation (ARPF) but the ARPF proceeded to claim the amount of Rs. 4,00,986/- from the Company for the period from 25 th July 1989 to 31 st March 1992 under the said Act, by an order dated 8 th February 1996. the Company filed an application dated 12 th March 1996 for review of the impugned order, but the Company's plea was not granted and it was directed to pay the amount. The Company has filed a writ petition in the High Court, Bombay on 17 th April 1996 praying that the order be quashed and set aside and the respondents be refrained from implementing the impugned order and to maintain status quo. The petition is pending.	4,00,986	Matter is pending
5..	S.S.1 220/ 97	Sales Tax Officer, New Delhi	Delhi High Court	The Company filed the suit in Delhi High Court against the Sales Tax Department challenging their assessment order for AY 1990-91 demanding Rs.58.04 lakhs and also against the order of the Sales Tax Appellate Tribunal. The Company has also challenged the constitutional validity of the Central Government appointing certain statutory authorities.	58,03,550	Matter is pending
6.	----	Asst. Comm. Sales Tax, Kolkata	CTO Kolkata	In August 2003, the Sales Tax Department (West Bengal) claimed Rs. 21,30,000/- from the Company for the financial year 2000-01. the Company has disputed the claim under Section 82 of the West Bengal Sales Tax Act, 1994 read with Rule 257 and 240 of the West Bengal Sales Tax Rules, 1995 read with section 9(2) of the Central Sales Act, 1956.	21,30,000	Matter is pending.
7.	----	Asst. Comm. Sales Tax, Kolkata	CTO Kolkata	In March 2004, the Sales Tax Department (West Bengal) claimed Rs. 5,66,000/- from the Company for the financial year 2001-02. the Company has disputed the claim under Section 82 of the West Bengal Sales Tax Act, 1994 read with Rule 257 and 240 of the West Bengal Sales Tax Act, 1995 read with section 9(2) of the Central Sales Act, 1956.	5,66,000	Matter is pending



8..	----	Asst. Comm of Central Excise, Boisar, Thane	Commissioner of Central Excise, Mumbai	Application filed for stay against the recovery of Excise Duty and penalty on sale of scrap.	5,48,926	Matter is pending																		
9		Asst.Com m Sales Tax, Kolkata	CTO Kolkata	In January 2009, the Sales Tax Department (West Bengal) claimed Rs. 333292/- from the Company for the financial year: 2004-05. Revision order received and hearing date to be receive from Assessing Office to Complete the Case.	3,33,392	Matter is pending																		
10		Asst.Com m Sales Tax, Kolkata	CTO Kolkata	In March 2008, the Sales Tax Department (West Bengal) claimed Rs. 94141/- from the Company for the financial year: 2005-06. Order to be receive from Appeal Authority.	94,141	Matter is pending																		
11.		Asst.Com m Sales Tax, Kolkata	CTO Kolkata	In March 2009 the Sales Tax Department (West Bengal) claimed Rs. 1,69,401/- from the Company for the financial year: 2006-07 Assessment order received and appeal to be made	1,69,401	Matter is pending																		
12.		Joint Comm. Sales Tax Bangalore	Karnata High Court	<p>Based on the Hon. High Court decision the Karnataka Sales tax have issued a Demand note of Rs. 80.79 L towards Entry tax demand from 2002-03 to 2007-08 and fine and penalty of Rs. 121.15 L for the same period</p> <p>The has filled a Write petition in Karnata High Court</p> <table><tr><td>Year</td><td>Entry Tax amount</td></tr><tr><td></td><td>5(4) KTEG</td></tr><tr><td>2002-2003</td><td>8,24,345.00</td></tr><tr><td>2003-2004</td><td>8,31,466.00</td></tr><tr><td>2004-2005</td><td>9,67,066.00</td></tr><tr><td>2005-2006</td><td>11,64,849.00</td></tr><tr><td>2006-2007</td><td>17,40,609.00</td></tr><tr><td>2007-2008</td><td>25,50,765.00</td></tr><tr><td></td><td>80,79,100.00</td></tr></table>	Year	Entry Tax amount		5(4) KTEG	2002-2003	8,24,345.00	2003-2004	8,31,466.00	2004-2005	9,67,066.00	2005-2006	11,64,849.00	2006-2007	17,40,609.00	2007-2008	25,50,765.00		80,79,100.00	80.79 L	WP Filled in High court
Year	Entry Tax amount																							
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	80,79,100.00																							

3. Dagger Forst Tools Limited (DFTL)

i. Cases Filed against DFTL:

Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute	Current Status
Assistant P.F. Commissioner, The Employees Provident Fund Organisation, Maharashtra,	Summons no. MH/AUR/Circle /61/MH/17973/	Employees Provident Fund Appellate Tribunal, Aurangabad	The Company was called to reply as to why the contribution to the fund for the period July 1996 to February 2002 has not been made. The company was ordered to pay the amount on leave encashment disbursed after 1997. The Company thereafter paid the amount under protest and went on appeal in the Employees Provident Fund Appellate Tribunal, which is	Rs. 2,35,013/-	No hearing date is received as yet from the office of Employees Provident



Sub-Regional Office, Aurangabad.	3/96		still pending.		Fund Appellate Tribunal.
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ii. Cases Filed by DFTL: Pertaining to criminal law

Sr. No.	Name of the Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute	Current Status
1.	Vikram Projects Limited	245/S of 1996	Metropolitan Magistrate Mumbai	Case has been filed by the Company against section 138 of the Negotiable Instruments Act for the recovery of Rs. 2,51,490/- against dishonour of cheque.	Rs. 2,51,490/-	Next date of hearing is on 5 th May, 2010
2.	Mid India Oil and Exports Limited, Henry D'souza, Edwin D'souza, Clifford D'souza & others	384/S S/05	Small Cause Court, Mumbai	Case has been filed by the Company under Section 138 read with 141 of the Negotiable Instruments Act, 1881 for recovery against dishonour of cheques.	Rs. 56,61,750 /-	Next date of hearing is 20 th January, 2010

- Pertaining to Labour Laws:**

1	Mr. Nagorao Hanmantrao Bhure and 25 other Fixed Term Employees	Complaint (ULP) No. 104 to 129 of 2009	Industrial Court, Aurangabad	The workmen were employed by the Company for a limited period. At the time of sale of Business Undertakings of the Company to M/s Motherson Advanced Tooling Solutions Limited (MATSL), the respective contracts were terminated and all the sums were paid. After the transfer of the Business Undertakings, MATSL, the transferee, employed these workmen on a contract for a limited period. MATSL has terminated the employment of two workmen. These workmen, being aggrieved by the decision of MATSL has filed the said complaints with other workmen.	-	15/12/09
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Pertaining to tax laws:**The following two sales tax appeals are pending:**

- Accounting Year 2001-02 -Appeal filed against disallowance of missing Sales Tax Form C. Amount of demand Rs.1,57,203/- less paid on account Rs.25,000/-
- Accounting Year 2002-03 -Appeal filed against disallowance of missing Sales Tax form C. Amount of demand Rs.1,23,620/-. Both the appeals are lying before Joint Commissioner of Sales Tax, Appeal VIII, Thane Division, Thane – 400601



No hearing dates are received as yet.

4. Birla Precision Technologies Limited (BPTL) (Formerly known as Birla Kennametal Limited)

A Composite scheme of arrangement has been filed whereby Tooling Business of Zenith Birla will be transferred to Birla Precision. The petitions are pending and will be taken up for final hearing as soon as the report of Regional Director and official liquidator is filed relating to Tungabhadra.

Cases filed by BPTL pertaining to Civil Laws:

Sr. No.	Case no.	Name of opposite party	Court before which litigation is pending	Details	Claim amount (Rs.)	Current status/ next date of hearing
1.	R.C.S No. 103/2000	M/s. Ambika Steels	Court of Civil Judge Junior Division at Aurangabad	Case was filed by the Company against M/s. Ambika Steels for recovery of Rs.18,117 (inclusive of interest) on failure of the opposite party to comply with the order placed with it by the Company on 25 th January 2000.	18,117/- (inclusive of interest)	Decree was obtained in the favour of the Company on 25 th November 2002 but not yet executed.
2.	R.C.S No. 1563/2000	A.V.I. Machines & Manufacturing	Court of the Joint Civil Judge Junior Division at Aurangabad	Suit was filed by the Company against A.V.I. Machines & Manufacturing for recovery of Rs. 77,388 by way of construction bill.	77,388/-	Ex-parte order was passed on 2 nd September 2002 in favour of the Company and the opposite party was decreed to pay Rs.77,388 with further interest @ 18% p.a. from filing of the suit till its full recovery along with costs for The case. filed and the same has been transferred to Pune Court for execution as the property of the defendant is within the territorial jurisdiction of the Pune Civil Court.
3.	R.C.S No. 278/2005	M/s. Tarun tools	Court of the Joint Civil Judge Junior Division at	The Company has filed a case against M/s. Tarun Tools for the recovery of amount of Rs. 82,688/- with 12% interest which has not been paid by the other party on the material that has been	82,688/-	Next date of hearing is 21 st January, 2010



			Aurangabad	purchased by them from the Company.		
4.	R.C.S No. 105/ 2000	M/s/ Auram Engg. Ltd.	District Court, Aurangabad	The case was filed by the Company against M/s. Auram Engg. Ltd. for recovery of amount of Rs. 60,966 due to failure of the party to collect and pay for material which had been ordered by them.	60,966/-	Ex-parte order was passed on 10 th July 2002 ordering the amount to be paid to the Company along with costs for the case. The same has been transferred to Pune Court for execution. Decree not yet executed.

Cases filed by BPTL pertaining to Criminal Laws :

Sr. no.	Case no.	Name of opposite party	Court before which litigation is pending	Details	Claim amount (Rs.)	Current status/ next date of hearing
1.	S.C.C No. 2642 of 2006	M/s. Style World	Chief Judicial Magistrates Court, Aurangabad	Case was filed against the party M/s. Style World. Refund of Rs. 10,000/- paid as advance to the party for supply of T-shirts was demanded by the Company. The party issued a cheque for Rs. 10,000/- towards discharge of its liability. The cheque was dishonoured for the reason of insufficient funds. The other party failed to arrange for the necessary funds for honouring the cheque issued to the Company.	10,000/-	Pending for appearance of accused. Next date of hearing- 10 th January, 2010

Labour Cases filed against BPTL :

Sr. no.	Case no.	Name of opposite party	Court before which litigation is pending	Details	Claim amount (Rs.)	Current status/ next date of hearing
1.	Writ Petition No. 2345 of 1993	Bhimrao Saluba Sonawane	High Court at Bombay, bench at Aurangabad	The Respondent, a workman, claims to have been removed without any reason and his salary was not paid for the month of April/ May 1989. The workman filed a writ petition praying for reinstatement with back-wages with the Court.	Not ascertainable	Pending for final hearing

**5. Birla Capital and Financial Services Limited****i. Cases filed by BCFSL: Nil****ii. Cases filed by BCFSL pertaining to Tax Disputes****Tax Disputes**

Sr. No.	Assessment Order Challenged	Assessing Authority	Date Instituted	Remarks
1	Assessment Year 1996-1997 to 2000-2001.	Income Tax Settlement Commission	20 th March, 2003	Settlement Commission has admitted company's settlement applications u/s 245 D (1) of the Income Tax Act, 1961 on 25.10.2004. Company has paid all the due taxes of the said years. The Final order u/s 245 (D) (4) is awaited. Additional amount of the Income Tax payable shall be known when final order u/s 245 (D) (4) is passed. The amount disputed is Rs. 532.22 lacs. Due to abetment of proceedings of the settlement commission, the company has filed writ petition which has been admitted and by order dated 31.3.2008 passed by the Hon'ble Division bench by way of interim relief, pendency the petition, the settlement commission not to treat the applications filed as abated.

iii. Cases filed against the Company: Nil

6. Birla Transasia Carpets

i. Cases filed against BTCL pertaining to Tax Disputes

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Delhi Sales Tax Act, 1975	Sales Tax	114038 68956 109656 173753 39004 118144 87794 1602224 2566329 738160 122840 153361 440128 12536 128158	1985-86 1990-91 1993-94 1994-95 1995-96 1996-97 1997-98 1998-99 1999-00 2000-01 2001-02 2002-03 2003-04 2003-04 2004-05	Deputy Commissioner of Sales tax (Appeal), Delhi ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do--- ---Do---
	Total	6475081		
Central Excise Act, 1944	Excise Duty on Raw Material Excise Duty on finished products	1026636 167000		Supreme Court of India Commissioner of Central Excise (Appeals), Delhi
	TOTAL	1193636		
Income Tax Act.	Demand	4867100	1997-98	Joint Commissioner of Income Tax, New Delhi

ii. Cases pertaining to Labour Laws filed against BTCL:

Name	Assessing Authority	Date Instituted
A.R.Zaidi	Labour Commissioner,GZB	1996
A.K.Choudhary	Labour Commissioner, Delhi	1997
J.M.Sharma	Civil Court, Ghaziabad	2000
Sunder Singh	Labour Commissioner, Delhi	1998
V.K.Mishra	Labour Commissioner, Ghaziabad	2001
P.N.Pandey	Labour Commissioner, Ghaziabad	2001
Amarjeeet	Labour Commissioner, Ghaziabad	2001
Aalam	Labour Commissioner,Ghaziabad	2001
Noor Akram	Labour Commissioner,Ghaziabad	2001
Bule Ram	Labour Commissioner,Ghaziabad	2001
Azam	Labour Commissioner,Ghaziabad	2001
Jagat Singh	Labour Commissioner,Ghaziabad	2001
Santosh Kumar	Labour Commissioner,Ghaziabad	2001
S.P.Yadav	Labour Commissioner, Delhi	2000
Badruddin	Civil Court,Bullandsahr	2000



Ram Kishore Saini	ALC,Bullandsahr	2004
Rockwell Pumps	Civil Court,Ghaaziabad	2003
R.N.Tiwari	High Court, Allahabad	1989

Pollution Control Case:

Name	Assessing Authority	Date Instituted
Pollution Control Board	Special Judicial Magistrate (Pollution), Lucknow	1993
Pollution Control Board	Special Judicial Magistrate (Pollution), Lucknow	1993

The above cases are filed under Water (Prevention & Control of Pollution Act) 1974 by UPPCB against the Company. Non-bailable warrants were issued to the then directors of the Company for personal non-appearance before the Court as per the orders. We have been informed that the Company has of filed a writ petition before High Court to get a stay in the above mentioned case..

Criminal cases filed by the Company

Sl . no	Name of Opposite Party	Case No.	Court before which Litigation is Pending	Brief History	Amount in Dispute	Current Status
1	M/s Roshanlal Gupta & Sons & Partners, Mr. Anil Kumar Gupta, Mr. Gaurav Gupta	230109 4/SS/ Of 2007	Metropolit Magistrate, Mumbai	Case has been filed by the Company under section 138 of the Negotiable instruments Act for the recovery of Rs. 600000/- against cheque.	600000/-	Next date of hearing is on 11/09/2009
2	M/s Unique Flooring, Mr. Subhodh Khandelwal, Mr. Atul Khandelwal	230331 9/SS/ Of 2007	Metropolit Magistrate, Mumbai	Case has been filed by the company under section 138 of the Negotiable Instruments Act for the recovery of Rs. 1235690/- against cheque.	1235690/-	Next date of hearing is on 17/09/2009

**7. Birla Power And Solutions Limited (BPSL)****Sales Tax cases:**

Sr. No	Nature of Status	Nature of dues	Amount Rs. In lacs	Forum where the dispute is pending
1.	Delhi Sales Tax	Sales Tax	68.77 97.88	Additional Commissioner Appeal in Tribunal
2.	Kerala Sales Tax Act	Sales Tax	43.66 55.58	Supreme Court Additional Commissioner
3.	U.P Sales Tax Act	Sales Tax	10.35 104.49	High Court Appeal
4.	Bihar Sales Tax	Sales Tax	11.37	Jt, Commissioner Appeal
5.	Maharashtra Sales Tax Act.	Sales Tax	10.61	Jt. Commissioner Appeal
6.	Andhra Pradesh Sales Tax Act	Sales Tax	1.29	CTO Sultan Bazar
7.	Orissa Sales Tax Act	Sales Tax	1.92	Asst. Commissioner of Sales Tax
8.	Tamil Naidu Sales Tax	Sales Tax	21.95	Dy. Commissioner of Commercial Tax
9.	Karnataka Sales Tax Act	Sales Tax	27.11	Jt. Director commissioner Tax Appeal
10.	Gujarat Sales Tax Act	Sales Tax	2.25	Commissioner of Commercial Tax
11.	Uttarkhand Sales Tax Act	Sales Tax	541.58	Dy. Commissioner (Appeal)
		TOTAL	998.81	

Civil Cases at Delhi & NCR

SL No	Opposite Parties	Case No.	Court before which litigation is pending	Amount (In Lacs)	Brief history of the case	Current Status of the Case
1	BYL Vs Blue Bird Autosales	214/2002	Gurgaon, District Court	3.00	Recovery suit filed against the dealer for asum of rs. 3.0 lac+interest	Suit decreed in favour of Plaintiff company vide order dated 11.03.2008. company advised to file execution
2	BYL Vs Deewan Auto	39/97	Sh. Davinder Kumar Garg, Civil Judge, Tis hazari, Delhi	1.07	Recovery suit/execution filed against the dealer. For .84 lac + interest	30.01.2010 for final arguments
3	BYL Vs Modfab International	3122/96	High court, delhi	15.00	Recovery suit filed against the dealer for rs.15.00 + interest	Regular Hearing
4	Material Movell Vs	177/06	Miss nayyay bindu , civil	1.75	Suit filled for recovery of rs.1.75 lac on account of	27.11.2009 FOR Defendant's Evidence



	Bpsl		jugde tis hazari delhi court no		balance against supplies	Next Date of Hearing 05 February 2010. Cross Examination of the Evidence
5	Bpsl Vs G.G.Marking	184/05	Mrs.sangeeta dingra sehgal adj. Court no 21, tis hazari, delhi	11.70	Suit for recovery of rs. 11,70,625 +interest filled against the dealer	21/11/2009 FOR DEFENDANTS EVIDENCE. Next Date of Hearing 21 December 2009. Evidence of the Defendant.
6	Sawan Sales Vs Bpsl	1642/6	High court, delhi	47.00	Recovery suit filed by the dealer for rs. 47.0 lac and counter claim by the company for rs. 26.0 lac	29/01/2010 FOR Plaintiff's Evidence.
7	Ritesh Kr Kapoor Vs Bpsl	52/07	Sh. D.k. malhotra adj. Court no 24 tis hazari court, delhi	18.48	An ex-employee has filed the recovery suit for unpaid salary and other dues totalling rs. 18.48 +interest	08.12.2009 For P/E Next Date of Hearing 05-February-2010
8	G.C Agarwal Vs Bpsl	184/04	High court, delhi	5.85	Appeal filed against the findings of the lower court by gcagarwalagainst the company	5/11/2009 for disposal of application for earlier hearing. Next of Hearing is not finalised by High Court, Delhi. Petition filed by the Party (G.C. Agarwal) to speed up the process of Litigation. Subsequently order of the Court is awaited.
9	Bpsl Vs P.K Enterprises	414/06	Sh.rakesh tiwari adj court no 30 tis hazari delhi	6.74	Recovery suit filed against the dealer. Dismissed in default on 20.10.08 application filled for restoration on 18.11.08	11.12.2009 FOR R/E of the Plaintiff
10	Lalit Sharma Vs. BPSL	555/2008	Sh.vinod kumar adj. Court no 31 tis hazari delhi	15.95	Suit for recovery OF RS. 15,95,274 for the balance of dues on execution of work contracts	08.02.2010 for Plaintiff's Evidence.
11	Gopal Motors v/s BPSL		Sh. Vijay Kumar Dahiya ADJ, Rohni	5.10	Suit for recovery of Rs. 5,10,520 for outstanding in Account+INTREST=Rs.7,17,602/=	21.11.2009 for arguments on Application Under Order 7 Rule 11 Next Date of Hearing 11 January 2010. Application for the Dismissal of case on Limitation grounds is rejected by the Court. Proceedings to start from



						11-Jan-2010
12	Ramakrishna Electro Components V/s BPSL and Another	707/09	Sh. Amit Kumar, ASSJ, Rohini Court	1.70	Suit for recovery of Rs.1,70,716+interest pendtelite+costs	12.12.2009 for further proceedings

List of legal cases (civil) outside Delhi

SL No.	Opposite Parties	Case No.	Court before which litigation is pending	Amount (in Lacs)	Brief history of the case	Current Status of the Case
1	BYL Vs Mangala Motors	Suit No. 01/2001	Civil court lucknow	2.5	suit for recovery filed against the dealer for rs.2.5	Details Not available
2	BYI Vs Permil Traders	746/2000	Civil court bulandsahar	9.50	suit for recovery filed against the dealer for rs.9.50	Details Not available
3	BYL Vs Lohia Jute Press	592/96	Civil court, kolkatta	6.62	civil suit has been filed for recovery for rs.6.62	Details Not available
4	BYL Vs Ameri Gas	593/96	Civil court, kolkatta	3.13	civil suit has been filed for recovery for rs.3.13	Details Not available
5	BYL Vs Mohanty & Company	73/2001	Civil court, bhubaneswar	24.00	recovery suit filed against the dealer for rs.24.00	12.01.2010 for plaintiff 's evidence
6	BYL Vs Universal Engg	123/99	Metropolitan court coimbatore	7.00	case u/s 138 filed against the dealer for bouncing of cheque for rs.7.00	Details Not available
7	Unitech Service Centre Vs BPSL	108/05	Sub judge tirupattur, tn	3.00	Recovery suit filed by the dealer for a sum of rs 3 lacs + interest. For rs.3.00	Details Not available
8	M/S Kandola Shipyard Vs BYL	47/2000	Sub judge panaji	0.40	Recovery suit filed by the dealer for a sum of rs 40,000 + interest w.e.f 17/11/95. For rs.0.40	Details Not available

STATUS OF LABOUR CASES

SL No.	Opposite Parties	Case No.	Court before which litigation is pending	Amount (In Lacs)	Brief history of the case	Current Status of the Case
1	Nishit bhatnagar	LCA NO. 20/2006	LABOUR COURT INDORE	2.25	LCA filed by the employee claiming a sum of Rs 2, 25000 matters has been Dismissed.	Applicant has filled an application for the restoration of proceedings .Next date is for appearance of parties.
2	Shivbadan singh	LCS NO. 19/2006	LABOUR COURT	2.54	LCA filed by the employee claiming a sum	Matter has been dismissed



			INDORE		of Rs 2,54,060,	
3	Mr. B. B. Sharan	Lca no. 23/2002	Labour court, Patna.	Details not available	Conciliation proceedings have been filed under section 10 of the industrial dispute act, for reinstatement with full wages.	Details not available
4	Mr. Lal Babu.	Lca no. 14/2003	Labour Court, Patna Deputy Labour Commissioner Patna	Details not available	Conciliation Proceedings Have Been Filed Under Section 10 Of The Industrial Dispute Act, For Reinstatement With Wages Execution proceeding filled for the award dated 29.-10-2007	Details not available

STATUS OF LEGAL CASES (CONSUMER FORUM & MRTP, COMMISSION)

Sl no .	Opposite Parties	Case No.	Court before which litigation is pending	Amount (in Lacs)	Brief history of the case	Current Status of the Case
1	Khem Chand Sharma vs BYL	40/95	State forum, appeal Lucknow	0.50	Complaint regarding defective generator 0.50	Forum not sheeting.
2	Pholl chand agarwal vs BYL	743/2000	State forum, Lucknow	0.16	Complaint regarding defective generator 0.16	Bench not sheeting
3	Mod Vs G.K Seth	592/1992	State Comission Lucknow	0.93	Complaint regarding defective generator appeal	Bench not sheeting
4	Sehgal Enterprises v/s Ajay Kumar	2560/2000	State commission Lucknow	0.05	Appeal filled by the Dealer against the order of District Forum for compensation of Rs. 5000.00 for defective service and nothing against the company	Company has been arrayed as respondent. Date of hearing is awaited
5	Shamim Ahmed Vs BPSL	231/05	Conumer forum Saharanpur	0.70	Complaint against the defective inverter for a sum of Rs 70,600/-	Details Not available
6	Vinayak James Vs BPSL	11/06	Consumer forum Jaipur	0.88	Claimed a sum of Rs 88,000/- towards defective inverter & battery	Details Not available
7	Ajit Kr Jain vs BPSL	24/06	Consumer forum Agra	0.24	Execution petition filed for Rs. 0.24	Details Not available
8	Shyam Khemka vs BPSL	71/06	Consumer forum Sonbhadra	1.75	Complaint against the defective inverter & battery for rs. 1.75	Details Not available
9	Naresh Kumar vs BPSL	140/07	Consumer forum Merrut	Amount not mentioned.	Claim against the defective inverter	Details Not available



10	Tarun Sharma vs BPSL	66/07	Consumer forum Sawai Madhopur Rajasthan	0.20	Claim against the defective battery for rs. 0.20	Details Not available
11	Khairatilal vs BPSL	116/06	Consumer forum Saharanpur	0.15	Claim against the defective inverter & battery for rs. 0.15	Details Not available
12	Pawan Prithvi vs BPSL	06/07	Consumer forum udhamsingh nagar 06/07/2009	0.03	Claim against the defective inverter & battery for rs. 03	Details Not available
13	Simon nv vs BPSL	528/05	Consumer forum thrussur	0.25	Replacement of inverter + /refund alongwith interest @ 12%p.a. on rs.0.25	Details Not available
14	Dr Rajkumar vs BPSL	69/07	Cf kannur	0.45	Compensation for defective inverter including compensation towards mental agony etc rs0.45	Details Not available
15	Shatrughan prasad sinha vs BPSL	202/06	Consumer forum, chapra	0.32	Replacement of defective inverter + compensation amounting to rs 31,545	Details Not available
16	Antarjyami Pattanaik vs BPSL	52/2007	Consumer forum, jagatsingh pur	2.15	Replacement of defective generator or refund of rs.2.15 + cost , complaint allowed and appeal has been preferred at state forum at cuttack	Detail Not available
17.	Ramchandra R Singh Versus Dipshru Enterprises & BPSL	233/08	Consumer disputes Redressal forum thane	Amount not mentioned in Court Notice	Complaint against the defective goods (Generator / inverter)	Details Not available
18.	M/s Bengal Medical Stores Versus Birla Power Solutions Ltd.	CC/08/58	District consumer disputes Redressal forum Siliguri	0.98	Replacement of Genset or refund of Rs. 48000 + interest @10% + compensation of Rs. 50000	Details Not available
19.	Smt. Mera Shukla Versus M/s BPSL	EX-118/08 CC NO 471/04	District forum consumer protection Merrut	0.10	Execution of award passed in cc no 471/04 dated 12.09.08	Details not available
20	Dr. Rajesh Pillai Versus M/s BPSL	CC NO 106/2008	District consumer redressal forum Thiruvananthapuram	0.81	Refund of cost of the genset of Rs. 55350+interest@12%+comp.25000+550 as cost of petition	Ex-parte case decision passed by Court against the Company
21	K. Naveen	CC NO	District	1.56	Replace Or Pay The Cost	Case has been



	chandra Versus M/s Thirumala Agencies & BPSL	172/2008	consumer forum Warrangal		Of Genset i.e. 55500+COMP OF RS. 100000 + Other Costs	amicably settled with the party.
22	Ram Shakal Tiwari Versus BPSL	CC NO 507/05	Consumer disputs Redressal forum-x New Delhi	4.59	Complaint u/ sec 13 of Consumer Protection Act for a compensation of Rs. 4,59,000/- against the defective supply of Gen Set of 1.5 KVA in place of 2.5 KVA	24.12.09 for final arguments

(v)LIST OF CASES DISPOSED OF BY THE COURT/CONSUMER FORA

Sl no.	Opposite Parties	Case No.	Court before which litigation is pending	Amount (Rs. in Lakhs)	Brief history of the case	Current Status of the Case
1.	Jitender Beri & others Versus BPSL	Suit No. 298/2007	SH. NEERAJ KUMAR GUPTA ADDL. DISTRICT JUDGE, DELHI	Suit dismissed	Suit dismissed as withdrawn as in compromise company vacated the rented premises	Suit dismissed
2.	Birla Yamaha Ltd. Burlington Air Express India	Comp no. 80/1996	STATE COMMISSION DELHI JUSTICE J.D.KAPOOR MS. RUMNITA MITTAL	0.50	Compensation of Rs 50,000.00 ordered to be paid to complainant within a period of one month	Disposed off in favour of BPSL.
3.	M Khan Adv Versus BPSL	Comp app. no 441/98	Monopolies and Restrictive trade practices Commission New Delhi	0.24	Application filed by M. Khan U/s 12B of the MRTP Act, for grant of compensation.	Disposed of.
4.	Kanwaljit Singh Versus BPSL	Suit no 103/05	Sh. H.S.Sharma ADJ. Delhi	1.86	Suit of the plaintiff decreed for Rs. 186179.70 /-with proportionate cost and interest @ 18% from 1.8.2002 to 19.04.2005 and @ 9% thereafter	Matter disposed off
5	Byl Vs Blue Bird Autosales	214/2002	GURGAN, DISTRICT COURT	3.0	Suit decreed in favor of the company along with interest pendente lite and future interest.	Execution proceeding to be filed

**STATUS OF LEGAL CASES UNDER SECTION 138 OF N. I. ACT FILED BY BPSL AT NEW DELHI**

Sl no	Opposite Parties	Case No.	Court before which litigation is pending	Amount (Rs. In Lakhs)	Brief history of the case	Current Status of the Case
1	Sindhu Electric, Chennai, Tamilnadu	CC/10685/04	Sh. Sandeep Yadav, MM, Patiala house courts, Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 12.05.2010 issued NBW's against the accused and to be executed
2	Sym Power System, Cochin, Kerela	CC/316/01	Sh. Sandeep Yadav, MM, Patiala house courts, Delhi	4.64	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 16.04.2010 for summoning of accused on payment of pf
3	Japan Trading Corporation, Trichy, Tamilnadu	CC/8761/04	Sh. Kuldeep Narain, MM, Patiala house courts, Delhi	3.40	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 30/01/2010 Issued Nbw's Against The Accused And To Be Executed
4	Japan Trading Corporation, Trichy, Tamilnadu	CC/8762/04	Sh. Kuldeep Narain, mm, Patiala house courts, Delhi	5.10	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 30/01/2010. Issued NBW's against the accused and to be executed.
5	Universal Engineering, Coimbatore, Tamilnadu	CC/708/04	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	11.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 4.02.2010 Issued NBW's against the accused and to be executed.
6	Universal Engineering, Coimbatore, TamilnadU	CC/705/04	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	2.78	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 4.02.2010 Issued NBW's against the accused and to be executed.
7	Universal Engineering, Coimbatore, Tamilnadu	CC/10982/04	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	11.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 09.02.2010 Issued NBW's against the accused and to be executed
8	Universal Engineeringcoimbatore, Tamilnadu	CC/6224/04	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	13.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 09.02.2010 Issued NBW's against the accused and to be executed.
9	Goodwill Auto, Hubli, Karnataka	CC/1001/C/2004	Metropolitan magistrate, Delhi	25.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 18.02.2010. Matter fixed for Complainant



						Evidence and 1000/- Cost to be deposited
10	Arun Pratap Singh (PS Motors), Gurgaonharyana	CC/329/02	Sh. Sandeep Yadav, MM, Patiala house courts, Delhi	5.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 16.04.2010 For Summoning Of Accused On Payment of PF
11	Gautum Motors, Karol Bagh, New Delhi	CC/14/1996	Sh. Sanjeev Kumar, mm, Patiala house courts, Delhi	2.79	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 10.05.2010 Notice has been issued to accused and his sureties
12	Ashok Rock Drills (Promod Chhabaria), Secunderabad, AP	CC/3358/03	Sh. Sanjeev Kumar mm, Patiala house, courts, Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 15.10.2010 Issued BW's against the accused and to be executed.
13	Kendrapara, Kendrapa, Orissa	CC/6624/01	Sh. Kuldeep Narain, mm, Patiala house courts, delhi	1.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 10.03.2010 Summons issued against the accused and service awaited.
14	Yash Motors, Bulandshahr, UP	CC/208/02	Sh.a.s.aggarwal, mm, patiala house courts, delhi	1.70	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 01.03.2010 Issued NBW's against the accused and to be executed.
15	Kavin Auto, Nagercoil, Tamilnadu	CC/1343/02	Smt. Veena rani, mm, Patiala house courts, delhi	2.95	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 26/02/2010 Issued NBW's against the accused and to be executed.
16	Kavin Auto, Nagercoil, Tamilnadu	CC/1344/02	Smt. Veena rani, mm, Patiala house courts, delhi	2.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 26/02/2010 Issued NBW's against the accused and to be executed.
17	Kavin Auto, Nagercoil, Tamilnadu	CC/1345/02	Smt. Veena Rani, mm, Patiala house courts, Delhi	0.30	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 26/02/2010 Issued NBW's against the accused and to be executed.
18	Kavin Auto, Nagercoil, Tamilnadu	CC/1346/02	Smt. Veena rani, mm, Patiala house courts, Delhi	0.15	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 26/02/2010 Issued NBW's against the accused and to be executed.
19	Kavin Auto, Nagercoil, Tamilnadu	CC/1347/02	Smt. Veena Rani, mm, Patiala house courts, Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 26/02/2010 Issued NBW's against the accused and to be executed.



20	Kavin Auto, Nagercoil, Tamilnadu	CC/1348/ 02	Smt. Veena Rani, MM, Patiala house courts, Delhi	0.10	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 26/02/2010 Issued NBW's against the accused and to be executed.
21	Vijayalakshmi, Theni, Tamilnadu	CC/1349/ 02	Smt. Veena Rani, mm, Patiala house courts, Delhi	0.99	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 17/02/2010 Matter fixed for Summons issued against the accused and P.F, filed.
22	Atchaya Power House, Thanjavur, Tamilnadu	CC/1276/ 02	Smt. Veena Rani, mm, Patiala house courts, Delhi	2.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 09/12/2009. Issued NBW's against the accused and to be executed. Matter fixed for prosecution evidence on
23	Kamal Motors, Anandpur,Ap	CC/1299/ 02	Smt. Veena Rani, MM, Patiala house courts, Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 17.02.2010. For summoning of accused
24	Kamal Motors, Anandpur,Ap	CC/1275/ 02	Smt. Veena Rani, mm, Patiala house courts, Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of Cheques.	Next date of hearing 17.02.2010. for summoning of accused
25	Power Point, Padukottai, Tamilnadu	CC/1422/ 03	Smt. Kiran Bansal, mm, Pataila house courts, Delhi	1.72,	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of Cheques.	Next date of hearing 10/12/2009 Matter list for appearance
26	Power Point, Padukottai, tamilnadu	CC/1427/ 03	Smt. Kiran Bansal, mm, Pataila house courts, Delhi	1.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of Cheques.	Next date of hearing 11.12.2009 Matter list for appearance
27	Madumati Enterprises, Baripada, Orissa	CC/426/0 3	Sh sourav kulshesra, mm, Patiala house courts, Delhi	0.20	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 11.12.2009 Matter list for appearance and issued Court Notice to the Complainant
28	B.N Kejriwal, Burdwan, West Bengal	CC/03/20 03	Sh. A. S. Aggarwal, mm, Patiala house courts, deLhi	3.32	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23 February 2010 Matter list for summoning of accused and payment of PF.
29	Unitech, Vellore, Tamilnadu	CC/3665/ 03 CC/562/0 2	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 22.02.2010 Issued BW's against the accused and to be executed.



30	Unitech, Vellore, Tamilnadu	CC/3666/ 03 CC/563/0 2	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	0.25	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 22.02.2010 Issued BW's against the accused and to be executed.
31	Diamond Documentatio n, Vellore, Tamilnadu	CC/3662/ 03	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	3.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 22.02.2010 Issued BW's against the accused and to be executed.
32	Kirabo Software, A.P	CC/548/0 5	Sh. Jagdish Kumar, mm, Patiala house courts, Delhi	2.75	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 01.08.2010 Issued BW's against the accused and to be executed.
33	Sawan Sales agencies pvt. Ltd., delhi	CC/547/0 2/05	Sh. Jagdish kumar, mm, patiala house courts, delhi	3.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 25 October 2010 Matter fixed for Evidence
34	Sawan sales agencies pvt. Ltd., delhi	CC/546/0 2/05	Sh. Jagdish kumar, mm, patiala house courts, delhi	10.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 02.03.2010 Matter fixed for Evidence
35	Sawan power pvt. Ltd., delhi	CC/3444/ 1/2003	Sh. Jagdish kumar, mm, patiala house courts, delhi	8.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 22.01.2010 Case list for evidence and notice to accused
36	Sawan sales agencies pvt. Ltd., delhi	CC/545/0 2/05	Metropolitan magistrate, delhi	9.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 14.12.2009 Appeal filed against the order and notice has been issued to the accused and PF has been done
37	Sawan sales agencies pvt. Ltd., delhi	CC/352/0 3	Metropolitan magistrate, delhi	10.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 25 October 2010. Matter fixed for appearance and Court notice to parties
38	Sakthi Marketing, Cudalore, Tamilnadu	CC/352/1/ 03	Miss ruby alka gupta, mm, patiala house courts, delhi	1.25	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 06.08.2010 Matter fixed for appearance



39	Shakti Automobiles, Maharaj Ganj, U. P.	CC/09/2004	Metropolitan magistrate, delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 14 May 2010 For Summoning Of Accused On Payment Of Pf
40	Priya Enterprises, Cochin, Kerela	CC/3054/04	Sh. A. S. Aggarwal, mm, patiala house courts, delhi	1.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 12.05.2010 Issued NBW's against the accused and to be executed.
41	Priya Enterprises, Cochin, Kerela	CC/3055/04	Sh.A.S.Aggarwal mm, Patiala house, courts, Delhi	2.05	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 12.05.2010 Issued NBW's against the accused and to be executed.
42	Gen Power, Trichy, Tamilnadu	CC/3056/04	Sh.A.S.Aggarwal, M.M m, Patiala house, courts, Delhi	1.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
43	Gen Power, Trichy, Tamilnadu	CC/3057/04	Sh.A.S.Aggarwal ,mm, Patiala house, courts, Delhi	1.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
44	Gen Power, Trichy, Tamilnadu	CC/3058/04	Sh.A.S.Aggarwal , M.M., Patiala house Courts, Delhi	1.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued BW's against the accused and to be executed.
45	Gen Power, Trichy, Tamilnadu	CC/3059/04	Sh.A.S.Aggarwal, M.M., Patiala house courts. Delhi	1.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
46	Gen Power, Trichy, Tamilnadu	CC/3060/04	Sh.A.S.Aggarwal, M.M., Patiala house courts. Delhi	1.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
47	Gen Power, Trichy, Tamilnadu	CC/3061/04	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused



						and to be executed.
48	Gen Power, Trichy, Tamilnadu	CC/3062/04	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
49	Gen Power, Trichy, Tamilnadu	CC/3063/04	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued BW's against the accused and to be executed.
50	Gen Power, Trichy, Tamilnadu	CC/3064/04	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
51	Gen Power, Trichy, Tamilnadu	CC/162/05	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
52	Gen Power, Trichy, TamilnadU	CC/163/05	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
53	Gen Power, Trichy, Tamilnadu	CC/499/05	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	0.31	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
54	Gen Power, Trichy, Tamilnadu	CC/500/05	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	1.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed.
55	GEN Power, Trichy, Tamilnadu	CC/1229/05	Sh.a.s.aggarwal, m.m., patiala house courts. Delhi	1.50	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23/02/2010 Issued NBW's against the accused and to be executed
56	Delta Enterprises, Visakapatnam, A.P	CC/166/05	Sh. S.k. Aggarwal, mm, patiala house courts, delhi	0.80	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 10.01.2010 Notice issued to the accused



57	Delta Enterprises, Visakapatnam, A.P	CC/165/05	Sh. S.k. Aggarwal, mm, patiala house courts, delhi	0.30	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 10.01.2010 Notice issued to the accused
58	Delta Enterprises, Visakapatnam, A.P	CC/164/05	Sh. S.k. Aggarwal, mm, patiala house courts, delhi	0.90	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 10.01.2010 Notice issued to the accused
59	K.S Automobiles, Machilapatnam	CC/1498/05	Sh. S.k. Aggarwal, mm, patiala house courts, delhi	3.38	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 07.04.2010 Issued BW's against the accused and to be executed
60	Mahesh Enterprises, Bolangir Orissa	CC/27/5/05	Sh. A. S. Aggarwal, mm, patiala house courts, delhi	14.27	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 23.02.2010 Issued BW's against the accused and to be executed
61	Vinayaka Enterprises, Mysore, Karnataka	CC/1896/05	Sh. A. S. Aggarwal, mm, patiala house courts, delhi	2.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 06 February 2010 For Summoning Of Accused On Payment Of PF
62	cadia systems, malapuram kerela	CC/2250/05	Sh. A. S. Aggarwal, mm, patiala house courts, delhi	1.20	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 17.07.2010 Matter fixed for Appearance
63	cadia systems, malapuram kerela	CC/2137/05	Sh. A. S. Aggarwal, mm, patiala house courts, delhi	.59	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 14 May 2010 Matter fixed for Appearance
64	cadia systems, malapuram kerela	CC/2138/05	Sh. A. S. Aggarwal, mm, patiala house courts, delhi	0.59	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 14 May 2010 For summoning of accused on payment of pf/rc/etc
65	Online Systems, Nagpur, Maharashtra	CC/2139/05	I sh. A. S. Aggarwal, mm, patiala house courts, delhi	1.26	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 16 January 2010 For summoning of accused on payment of pf/rc/etc
66	Bhajan Enterprises,	CC/117/01	Sh. A. S. Aggarwal,	2.00	Complaint filed by BPSL u/s 138 N. I. Act against to	Next date of hearing 19.03.2010



	Nagaur, Rajasthan		mm, patiala house courts, delhi		the accused for dishonor of cheque.	Issued BW's against the accused and to be executed.
67.	Sawan Sales Agency (P) Limited	CrL..L.P. 101/2009	Delhi High Court	9.00	Complaint filed by BPSL u/s 138 N. I. Act against to the accused for dishonor of cheque.	Next date of hearing 14.12.2009 Appeal u/s 378.CR. P.C. against the accused

8. Melstar Information & Technologies Limited

Cases filed against the Company

Name of the opposite Party	Suit no.	Court Before which Litigation is pending	Brief History	Amount in dispute	Current status
Mr Jayesh V.Pandit	163/2005	High court Mumbai	An ex-employee, from whom a sum of Rs.122544/- was due to the Company, filed a claim for Rs.91286/- before Bombay High Court in 2005.	Rs.91286/-+ Interest @18%	Preadmission stage

Case filed by our Company

Name of the opposite Party	Counter claim no.	Court Before which Litigation is pending	Brief history	Amount in dispute	Current status
Mr. Jayesh v. Pandit	Counter claim Lodgement no. 2095/2006 Counter claim no. 22/2007	High court Mumbai	The company has filed a counter-claim for rs.122544/- with the Bombay High court in the matter.	122544 + interest @18% from the date of counter claim filed till realization of payment.	Pre Admission Stage

**Relating to tax laws:**

Assessment Order Challenged	Assessing Authority	Date issued	Claim Amount	Remark
Income Tax				
Assessment Year – 2007-08	Dy.Comm.o f Income Tax – 8(2)	13/10/2008	Rs.806,280	The said order was received under section 115WE. The Company has filed a letter of rectification with the said Authority.
ESIC				
October 1995 to December 1996	Regional Director- ESIC Kanpur	17/11/2003	Rs.135,627	Rs.35,000/- has been paid under protest against this matter. The Company has filed a letter with Regional Director – ESIC Kanpur explaining them that the said liabilities are not payable as the said unit was not operational during the period for which ESIC demand was raised.

Unlisted Yash Birla Group Companies**1. Asian Distributors Private Limited (ADPL)****Statutory Laws filed by the Company**

Sr. No	Name of the Opposite Litigation	Place of Litigation	Court before which Litigation is pending	Date instituted	Claim Amount	Status
1	Gurunanak Industries For Recovery	Mumbai	Bombay High Court	1994	Rs. 273250	Date of hearing is awaited

2. Birla Bombay Private Limited (BBPL)**i. Cases filed against BBPL pertaining to Tax Disputes:**

Assessment Order Challenged	Assessing Authority	Date instituted	Claim Amount	Status
Assessment Year 04-05	CIT (Appeal)	18 th July 2007	Rs. 15, 85,767	Last date of Hearing date 13th August, 2009 .Next date not known



ii. Court Matters:

Name of the Opposite Party	Place of Litigation	Court before which Litigation is pending	Brief history	Current status
State Bank of India	Nagpur	Appellate Tribunal of DRT	<p>Company had furnished a Guarantee in respect of cash credit and other facilities enjoyed by M/s Akola Oil Industries Ltd.</p> <p>State Bank of India lender to the aforesaid Akola Oil Industries Ltd. Had filed a case before the DRT Nagpur wherein our Company was made one of the Party</p> <p>DRT Nagpur has passed an order stating that our Company as Guarantor is not liable for any dues of State Bank of India and the amount is to be recovered from the borrower against which the Bank has filed an appeal before the Appellate Tribunal of DRT, Mumbai which is pending.</p>	Official liquidator has been appointed as per orders of the Hon'ble Court Nagpur vide order – dated 23.04.2004.
Rain Commodities Ltd	Mumbai,	Bombay High Court, 718/2009, Company winding up petition	Company winding up petition u/s 433 & 434 of the Companies Act, 1956 has been filed by Rain Commodities Ltd alleging the failure of the Birla Bombay Private Limited to comply with the terms of a MOU. The amount claimed is Rs. 26,09,687/-.	Birla Bombay Private Limited has filed its reply opposing admission of petition. The petition has yet not been admitted.
Rain Commodities Ltd	Hyderabad	XIV Additional Chief Metropolitan Magistrate, Hyderabad, CC. No. 986 of 2009	Rain Commodities Ltd had filed a criminal complaint in the court of XIV Additional Chief Metropolitan Magistrate, Hyderabad under section 200 Cr.P.C for alleged breach of certain terms of the MOU dated 6.12.2007.	The High Court has granted interim stay on the said petition and the next date of hearing is awaited.



Cases filed by Birla Bombay Private Limited

Name of the Opposite Party	Place of Litigation	Court before which Litigation is pending	Brief history	Current status
Rain Commodities Ltd	Suit No. 18934/2009	City Civil Court, Hyderabad	Birla Bombay Pvt. Ltd, Nirved Traders Pvt. Ltd, Shearson Trading & Investment Co. Pvt. Ltd, Godavari Corporation Pvt. Limited Mr. Yashovardhan Birla, Ms. Avanti Birla, Mr. U.S. Sethia, Mr. L.R. Daga, Mr. Arun Kumar Singhi, Mr. Arun Jain and Mr. Girdharilal Lath have filed a suit for specific performances against Rain Commodities Ltd for grant of specific performance of Oral Agreement dated 29.05.2009 directing Rain Commodities Ltd to execute Share Purchase Agreement to transfer 50700 shares of the company.	Pending, Next date is 04/03/2010 for filing of written statement by Rain Commodities Ltd.

**3. Birla Infrastructure Limited (formerly known as BCI International Limited)****Cases filed against BCIL****Consumer Dispute Redressal Forum**

Sr. No.	Name of Party	Court of Litigation	Nature of Case	Date instituted	Current Status
1.	Mr. Vinod. Dhanuka & Ors.	Bandra	Consumer Dispute	16 th May, 2005	Order of the Court is received. Company is in process of making appeal.

The Complainants are the flat owners of the building. The Complainant has filed the suit against the Company for failure & negligence of the contractual and statutory obligations.

Cases filed by BCIL

Sr. No.	Name of Party	Court of Litigation	Nature of Case	Claim Amount	Current Status
1.	(i) Okab Abdel Rehman Freij & Partners (ii) Ihab Abdel Rehman Freij (iii) Okab Abdel Rehman Freij (iv) Saed Abdel Rehman Freij (v) Alex Stewart International (AUST) Pvt Ltd (vi) Majed Zeina, Surveyor & Authorised Signatory on behalf of Defendant No. 5 & 6 in Jordon	ICC International Arbitration Court, Jordon	Suit for recovery of cost. Damages against Foreign Supplier for non-compliance for import contract	Rs. 30,60,611/-	Hearing date awaited

Pertaining to Income Tax

Assessment Year	Assessing Authority	Claim Amount	Remark
AY 2004-05 (Formerly BCI International ltd.)	CIT Appeal	10,38,492	Hearing is going on and is expected to completed by end of December 2009.
AY 04-05 u/s Section 271(C) (Formerly BCI International Ltd.)	CIT Appeal	8,72,500	Hearing is going on and is expected to completed by end of December 2009.
AY 2003-04 Section 271(C) (Formerly Birla Infrastructure Pvt.	CIT Appeal	4,74,000	Hearing is going on and is expected to completed by end of December 2009.



Ltd.)			
AY 04-05 u/s Section 271(C) (Formerly Birla Infrastructure Pvt. Ltd.)	CIT Appeal	4,71,000	Hearing is going on and is expected to be completed by end of December 2009.

4 Birla Concepts India Private Limited : Nil

5 Birla Lifestyle Pvt. Ltd : Nil

6 Birla Accucast Limited (formerly known as Birla Perucchini Limited)

The Company is a Sick Company and the matter is pending before BIFR. IDBI have been appointed as Operating Agency.

Cases filed against Birla Accucast Limited :

Sr. No.	Name of Party	Case No.	Court before which the litigation is pending	Nature of Cases	Amount Claimed (Rs. in lacs)	Status
1.	Sheikh Industries Ltd.	32/2001 Recovery Civil Suit	Court of Civil Judge Sr. Division, Pune	Recovery suit filed against the Company	11.45	Proceedings in progress in court, next date awaited.
2.	Shree Precoated Industries Private Limited	78/2000 Recovery Civil Suit	Court of Civil Judge Sr. Division, Pune	Recovery Civil Suit Trial is in Process at Pune Court	0.18	Decree Obtained by Party. Execution petition on behalf of Company's Advocate appeared there is no appeal to the Decree. Matter is pending for recovery notice Warrant is issued and pending.
3.	Sharda Ispat Ltd	Suit No. 548/2001 Recovery Civil Suit	5th Joint Civil Judge Sr. Division, Nagpur	Legal notice received through Advocate	2.45	Stay is granted by High Court Nagpur Bench on the ground of BIFR. Proceedings pending till further notice.
4.	Classic Metal	1176/S/2000	Addl. Chief Metropolitan Magistrate, Mumbai	U/s 138 of the Negotiable Instruments act, trial is in process in the Mumbai Court	0.36	Matter stayed at Mumbai court.
5.	Vishal Electricals, Aurangabad	138/2000	Jt. Civil Judge, SD, Aurangabad	Summons received from Court	2.59	Suit decreed, execution application pending.



6	Associated Engineering	172/2003 Recovery Civil Suit	5 th Adhoc Addl District Judge, Kolhapur	Recovery Suit filed by the Party	7.74	Stay application filed before Sr. Division Court Next date 15.9.2009. Latest BIFR report sought.
7.	Samarth Foundry Services Pvt Ltd	3329/2008	JMFC, Kolhapur		16.84	Cheque returned unpaid notice received from Party's Advocate Abhay Nevargi & Associate and since replied.

Note:

1. Birla Peruchhini has sent legal notice to M/s Shree Precoated, Pune for Rs. 3.83 lakhs towards excess payment on account of excise.
2. Company has filed legal case against three accused employee (SBM, VRB, SVD) for Rs 24.24 Lakhs in Court.
3. Company has filed FIR against accused employee (Shyam Thampi) for misappropriation of Funds to the tune of Rs 11.25 Lakhs

7 Godavari Corporation Private Limited**i. Cases filed by Godavari pertaining to tax disputes**

Sr. No.	Assessment Order Challenged	Assessing Authority	Date Instituted	Claim Amount (Rs. In lakhs)	Status
1	Assessment Year 1998-1999 u/s 143(3) Joint Commissioner of Income Tax SR-6	Income Tax Appellate Tribunal	23 rd February, 2005	Rs 69.67 lakhs in the matter of Interest.	The hearing is awaited
2	A.Y. 2003-2004	CIT Appeal (1)	14 th March, 2006	Rs. 172.23 lakhs in the matter of Interest and Miscellaneous Expenses	The last date of hearing was on 18 th August 2009. The next date of hearing is awaited.
3	AY 2006-07	CIT Appeal	27 th January, 2009	Rs. 12.39 Lakhs in the matter of disallowance	The hearing is awaited
4	AY 2002-03	CIT Appeal			

Cases filed against Godavari Corporation

Sr. No.	Name of Party	Case No.	Court before which the litigation is pending	Nature of Cases	Amount Claimed (Rs. in lacs)	Status
1.	Rain Commodities Ltd.	719/2009, Company winding up petition	Bombay High Court	Company winding up petition u/s 433 & 434 of the Companies Act, 1956 has been filed by Rain Commodities Ltd alleging the failure of the Godavari Corporation to	2.67	The matter is being contested by the Company and affidavit in reply has been filed opposing admission of



				comply with the terms of a MOU		petition. The Petition has yet not been admitted
2.	Rain Commodities Ltd.	CC. No. 986 of 2009	XIV Additional Chief Metropolitan Magistrate, Hyderabad,	Rain Commodities Ltd had filed a criminal complaint in the court of XIV Additional Chief Metropolitan Magistrate, Hyderabad under section 200 Cr.P.C for alleged breach of certain terms of the MOU dated 6.12.2007.	-	The High Court has granted interim stay on the said petition and the next date of hearing is awaited.

Cases filed by Godavari Corporation

Name of the Opposite Party	Place of Litigation	Court before which Litigation is pending	Brief history	Current status
Rain Commodities Ltd	Suit No. 18934/2009	City Civil Court, Hyderabad	Birla Bombay Pvt. Ltd, Nirved Traders Pvt. Ltd, Shearson Trading & Investment Co. Pvt. Ltd, Godavari Corporation Pvt. Limited Mr. Yashovardhan Birla, Ms. Avanti Birla, Mr. U.S. Sethia, Mr. L.R. Daga, Mr. Arun Kumar Singhi, Mr. Arun Jain and Mr. Girdharilal Lath have filed a suit for specific performances against Rain Commodities Ltd for grant of specific performance of Oral Agreement dated 29.05.2009 directing Rain Commodities Ltd to execute Share Purchase Agreement to transfer 50700 shares of the company.	Pending, Next date is 04/03/2010 for filing of written statement by Rain Commodities Ltd.

Godavari Corporation Pvt. Limited, one of the Promoters of Birla Perucchini Limited (BPL) alongwith other Indian Promoters of BPL filed an application for arbitration for claiming Rs. 1235.11 lakhs, being the share of Fonderia Perucchini, for the payment made to IL&FS with respect to redemption of optionally convertible preferential shares issued by Birla Perucchini Limited.

The matter has now been settled by execution of the Settlement Agreement between Fonderia Perucchini S.p.A., Birla International Ltd., Birla Perucchini Ltd. and Kinglor Limited. By virtue of this Settlement Agreement, Birla Perucchini Ltd and its promoters has withdrawn its claim on Fonderia Perucchini S.p.A. and Kinglor Limited and the aforesaid parties have transferred their entire shareholding in Birla Perucchini Limited to Birla International Limited subject to necessary regulatory approvals

Notices Issued To Godavari Corporation Pvt.Ltd.

1. Order by SEBI against Schimtar Investment Trading Corporation Limited (amalgamated with GodavariCorporation Pvt. Ltd.)

SEBI vide its letter dated 30th December, 2005 issued a show cause notice to Schimtar Investment Trading Corporation Limited (amalgamated with Godavari Corporation Pvt. Ltd.) for violation of Regulations 3, 4(a), 4(b) & 4(b) & 4(e) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and

Regulations 7(1), 8(2) & 11(1) of SEBI (SAST) Regulations, 1997 read with Section 11 B and Section 11(4) of the SEBI Act, 1992.

Godavari Corporation Private Limited replied to the show cause notice on July 24, 2006.

Further, on 5th January, 2007, SEBI has passed an order against Schimtar Investment and Trading Corporation Limited (now amalgamated with Godavari Corporation Private Limited) wherein Schimtar has been barred from buying, selling and dealing or accessing the securities market in any manner for a period of six months from the date of the order.

Schimtar Investment Trading Corporation Limited (amalgamated with Godavari Corporation Pvt. Limited) preferred an appeal with Securities Appellate Tribunal (SAT) on the above order by SEBI and SAT has issued stay order on 2nd February, 2007.

Further to SAT order Godavari Corporation Pvt Ltd also filed a consent application dated 21st January, 2008 for settlement of the charges in the matter of Order of SEBI dated 5th January, 2007 as per the approvals of SEBI guidelines for Consent Orders and for considering request for composite offences as per the Circular No.EFD/ED/Cir-1/2007 dated 20th April, 2007.

After filing of the consent application a hearing was granted on 10th April, 2008 and during the hearing the company without admitting the guilty and without admissions of the findings to pay Rs.3,50,000 towards settlement charges and Rs.50,000/- towards legal charges in respect of the said matter.

SEBI is yet to revert letter of settlement dated 15th April, 2008 issued by Godavari Corporation Pvt Ltd.

8. Tungabhadra Holdings Pvt. Ltd

Tungabhadra Holdings Pvt. Ltd. has filed Scheme of Arrangement in the Bombay High Court where Tungabhadra Holding proposes to get merged with Zenith Birla, appointed date being 1st April 2008. The Scheme is pending for hearing and final disposal. On and from the effective date Tungabhadra shall be dissolved without winding up and all assets and liabilities will be transferred to Zenith Birla under the provisions of Section 394 of the Companies Act, 1956. The petition will be listed for hearing only after report of Official liquidator and Regional Director is filed

Status showing details of pending Cases at Tarapur

Sr. No.	Name of Parties	Brief History	Current Status
1	THPL v/s Union of India (Excise Dept.)	THPL applied for Excise license on G-39 MIDC Tarapur which was refused by the department. CEGAT has give order in favour of THPL.	The Excise dept has moved to High Court
2	THPL v/s Union of India (Excise Dept.)	Case is permanently Restrain Union of India from confiscating Entering & Holding pocession of the suit premises i.e. Plot no G-39 for recovery of Excise Due from the previous owner	Next Hearing-02/01/2010
3.	THPL v/s Union of India (Excise Dept.)	We have made an application for getting interim injuction to restrain union of India from Entering & Holding pocession of the suit premises i.e. Plot no G-39 for recovery of Excise Due from the previous owner (case no.MA30/2009 against MCA no. 152 Of 2005)	Next hearing date awaited



4.	Workmen Compensation case of Dinesh Sangadia (Civil Contract Labour)	Workmen, Dinesh Sangadiya met with accident and died due to injuries on 17.02.2008. Compensation case filed by his hiers. Compensation Case no.46/08	THPL has already deposited Compensation for the death amounting to Rs.2,70,000/- with the Hon'ble Labour Judge and Ex-Office Commissioner for Workmen Compensation Next date of hearing 18 th January, 2010
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Status showing details of pending Cases at THPL Murbad

Sr No.	Name of parties	History	Status
1	THPL Vs Revenue department	Land Revenue Case for refund of penalty for Rs.252000/- imposed by Tehsildar	Court has instructed Tehsildar for reworking the same
2	THPL Vs Mr. Kashinath Hindurao	Factory Gate no-2 has been obstructed by Mr.Kashinath Hindurao claiming that gate no-2 is in his land court has rejected his appeal. Hearing on exstibite file is on 02/01/09 in Murbad court (case No. 31/09)	Next date of hearing is on 2 nd January, 2010
3	THPL Vs Mr. Kashinath Hindurao	Kashinath Hindurao moved in DJ Court at Kalyan .(case no. 89/09)	Next date of hearing is 14th December 2009
4	THPL Vs Maharashtra Rajya Suraksha Rakshak Sangathana	Security guards formed the union, case is pending in industrial disputes court.(case no. 250/2009)	Next date of hearing is 15th Dec 2009

Cases filed against THPL

The Excise Department has filed an appeal in Tribunal against the order of the Commissioner (Appeal) who has set aside the order of Asst. Commissioner refusing Tungabhadra Holding Pvt. Ltd. the excise license on G-39, MIDC, Tarapur.

Cases filed by THPL

1. The Company has received letter from Central Excise claiming their ownership on Plot No. G-39, MIDC, Tarapur (purchased by the Company from DRT), the Company has filed a suit on Union of India (Central Excise) for restraining the Excise officers from disturbing and obstructing the peaceful occupation & possession by the Company. Case is pending in CJSJ Court. Next date is 28th August 2009.

The Court has decided in favour of the Company but Excise Department had filed a revised application against impugned order, which is still pending.

TARAPUR

2) Review Petition MA 30/2009 against MCA No.152 of 2005
Case is pending in ADJ Court Palghar Next due Date is 28th Aug 2009

MURBAD

1) Land revenue case
Case is pending in court of Collector for refund of Penalty for Rs.2,52,000/- imposed by Tahsildar.



9. Birla Viking Travels Pvt. Ltd

Cases filed by Viking

Sr. No.	Name of Party	Case No.	Court of Litigation	Nature of Case	Amount in Lacs	Status
1	Vishwaraj Mutha	1106/SS/08	23 Metropolitan Magistrate Esplanade Court Mumbai	U/s 138 of Negotiable Instruments Act 1881 for dishonour of cheque	30.00	Affidavit of evidence is being filed Matter adjourned till 06Jan 10
2	The Holiday Makers	1853/SS/09	23 Metropolitan Magistrate Esplanade Court Mumbai	U/s 138 of Negotiable Instruments Act 1881 for dishonour of cheque	134813	The matter is placed for verification of the complainant. . Next date awaited
3	Govind Rubber Ltd		Mumbai	Recovery Case	10.91	Legal notice has been served upon M/s. Govind Rubber to recovery o/s dues. Since the amount has not been paid, the Company is in the process of initiating legal proceedings .
4	Rajendra Solanki	162/ss/09 23	Metropol ition Magist rate Esplanade Court Mumbai	Suit filed under section 138 of the Negotiable Instruments Act, 1881	1.64	Summons was posted for appearance of the accused on 02nd September, 2009. The accused didn't turn up. He will be issued arrest warrant by the court .The next hearing is on 02 Jan 10.
5	Ramesh Pawar(Prop Pawar Industries	1853/ss/09 23	Metropol ition Magist rate Esplanade Court Mumbai	Suit filed under section 138.	1.35	The matter was placed for verification of the complainant on 2nd Sep 09. The next hearing is on 09 Jan 10

**10. Birla International Pvt. Ltd.****Cases filed against BIPL****Pertaining to Statutory Laws:**

- Wealth Tax Appeals for the Assessment years 1986-87 to 1990-91 is pending before the ITAT, Mumbai and the amount for the same is not ascertainable
- Income Tax appeal for the Assessment years 2006-07 is pending before the ITAT, Mumbai.

11. Birla Electricals Ltd: Nil

12. Birla Edutech Ltd: Nil

13. Nirved Traders Private Limited:

CIT Appeal for the Assessment years 2006-07 is pending and the amount for the same is not ascertainable.

Case filed against the Company

Sr. No.	Name of Party	Case No.	Court before which the litigation is pending	Nature of Cases	Amount Claimed (Rs. in lacs)	Status
1.	Rain Commodities Ltd.	716/2009, Company winding up petition	Bombay High Court	Company winding up petition u/s 433 & 434 of the Companies Act, 1956 has been filed by Rain Commodities Ltd alleging the failure of the Nirved Traders Private Limited to comply with the terms of a MOU	2.67	The matter is being contested by the Company and affidavit in reply has been filed opposing admission of petition. The Petition has yet not been admitted
2.	Rain Commodities Ltd.	CC. No. 986 of 2009	XIV Additional Chief Metropolitan Magistrate, Hyderabad,	Rain Commodities Ltd had filed a criminal complaint in the court of XIV Additional Chief Metropolitan Magistrate, Hyderabad under section 200 Cr.P.C for alleged breach of certain terms of the MOU dated 6.12.2007.	-	The High Court has granted interim stay on the said petition and the next date of hearing is awaited.

**Case filed by the Company**

Name of the Opposite Party	Place of Litigation	Court before which Litigation is pending	Brief history	Current status
Rain Commodities Ltd	Suit No. 18934/2009	City Civil Court, Hyderabad	Birla Bombay Pvt. Ltd, Nirved Traders Pvt. Ltd, Shearson Trading & Investment Co. Pvt. Ltd, Godavari Corporation Pvt. Limited Mr. Yashovardhan Birla, Ms. Avanti Birla, Mr. U.S. Sethia, Mr. L.R. Daga, Mr. Arun Kumar Singhi, Mr. Arun Jain and Mr. Girdharilal Lath have filed a suit for specific performances against Rain Commodities Ltd for grant of specific performance of Oral Agreement dated 29.05.2009 directing Rain Commodities Ltd to execute Share Purchase Agreement to transfer 50700 shares of the company.	Pending, Next date is 04/03/2010 for filing of written statement by Rain Commodities Ltd.

14. Shearson Investment & Trading Company Private Limited:**Cases filed by Shearson Investment & Trading Company Private Limited pertaining to tax disputes:**

Sr. No.	Assessment Order Challenged	Assessing Authority	Claim Amount	Date instituted	Status
1.	Assessment year 2006-07	CIT (Appeal)	Rs. 22.86 Lakhs for disallowance u/s 14A	19 th January, 2009	Hearing date not known

Case filed against Shearson Investment & Trading Company Private Limited

Sr. No.	Name of Party	Case No.	Court before which the litigation is pending	Nature of Cases	Amount Claimed (Rs. in lacs)	Status
1.	Rain Commodities Ltd.	716/2009, Company winding up petition	Bombay High Court	Company winding up petition u/s 433 & 434 of the Companies Act, 1956 has been filed by Rain Commodities Ltd alleging the failure of the Shearson Investment & Trading Company Private Limited to comply with the	6.82	The Petition has yet not been admitted



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				terms of a MOU		
2.	Rain Commodities Ltd.	CC. No. 986 of 2009	XIV Additional Chief Metropolitan Magistrate, Hyderabad,	Rain Commodities Ltd had filed a criminal complaint in the court of XIV Additional Chief Metropolitan Magistrate, Hyderabad under section 200 Cr.P.C for alleged breach of certain terms of the MOU dated 6.12.2007.	-	The High Court has granted interim stay on the said petition and the next date of hearing is awaited.

Case filed by the Company

Name of the Opposite Party	Place of Litigation	Court before which Litigation is pending	Brief history	Current status
Rain Commodities Ltd	Suit No. 18934/2009	City Civil Court, Hyderabad	The company has filed a suit for specific performances against Rain Commodities Ltd for grant of specific performance of Oral Agreement dated 29.05.2009 directing Rain Commodities Ltd to execute Share Purchase Agreement to transfer 50700 shares of the company.	Pending, Next date is 04/03/2010 for filing of written statement by Rain Commodities Ltd.

15. Birla Global Corporate Private Limited: Nil



Material Developments since the Last Balance Sheet Date

There are no material developments since the last balance sheet date.

Other than the above, in the opinion of the Board of Directors of the Company, there have not arisen, since the date of the last financial statements disclosed in this Offer Document, any circumstance that materially or adversely affect or are likely to affect the profitability of the Company or the value of its consolidated assets or its ability to pay its material liabilities within the next twelve months other than as disclosed in the offer document.

Amounts due to Small Scale Undertakings and Other Creditors

There is no amount outstanding for more than 30 days to small scale and ancillary industrial undertaking provided in the Small Scale and Ancillary, Industrial Undertaking Act, 1992. The information regarding Small Scale Industrial Undertakings have been determined to the extent such parties have been identified on the basis of information available with our company.

Adverse Events

There has been no adverse event affecting the operations of our Company occurring within one year prior to the date of filing of this Red Herring Prospectus with the Registrar of Companies.

**GOVERNMENT APPROVALS/ LICENSING ARRANGEMENTS**

Our Company has received all the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/certification bodies required for its business and no other approvals are required by our Company for carrying on its present business activities. It must, however, be distinctly understood that in granting the above approvals, the Government and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed.

In view of the approvals listed below, our Company can undertake this Issue and its current business activities and no further major approvals from any statutory authority are required to continue those activities.

The following statement sets out the details of licenses, permissions and approvals taken by our Company under various Central and State Laws for carrying out its business.

Sl.No.	Issuing Authority	Registration/ License No.	Nature of Registration/License	Date of registration
1.	Asst. Registrar of Companies, Maharashtra	11-66910 of 1992	Certificate of Incorporation of Rathi Merchantile & Management Services Private Limited	25 th May, 1992
2.	Additional Registrar of Companies, Maharashtra, Bombay	11-66910	Certificate of change of Name from Rathi Merchantile & Management Services Private Limited to Rathi Merchantile and Management Services Limited	16 th March, 1994
3.	Registrar of Companies, Maharashtra, Mumbai	11-66910	Fresh Certificate of Incorporation Consequent on change of Name from Rathi Merchantile and Management Services Limited to Rathi Merchantile Industries Limited	23 rd May, 1994
4.	Deputy Registrar of Companies, Maharashtra, Mumbai	11-66910	Fresh Certificate of Incorporation Consequent on change of Name from Rathi Merchantile Industries Limited to Shloka Infotech Limited	12 th February, 2002
5.	Registrar of Companies, Maharashtra, Mumbai	CIN: L74999MH1992PLC06 6910	Fresh Certificate of Incorporation consequent upon change of name from Shloka Infotech Limited to Birla Shloka Edutech Limited	26 th December, 2008
6.	Director of Income Tax, Government of India	AAACR1837P	Permanent Account Number of Birla Shloka Edutech Ltd.	25 th May, 1992
7.	Income Tax Department	MUMS36021G	TAN Number of Birla Shloka Edutech Ltd.	17 th June, 2004
8.	Office of the Deputy Commissioner of Service Tax, Mumbai division I & II,	AAACR1837PST001	Service Tax Code Number	15 th October, 2004
9.	Superintendent Service Tax, Government of India, Ministry of Finance, Department of Reven, Office of the Commissioner of Services Tax, Mumbai at 115 M.K. Road, Churchgate, Mumbai 400 020	R&M/M-I/1024	Form ST-2- Certificate of registration for payment of Service Tax on services of maintenance and repair service	15 th October, 2004



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10.	Office of the Regional Provident Fund Commissioner, Bombay	MH 45442	Allotment of PF number	1 st December, 2000
11.	Sales Tax Officer, Registration Branch, Mumbai	400020/C/1932	Certificate of Registration under Central Sales Tax (Registration and Turnover) Rules, 1957 for re-sale of Computer, Computer Hardware and Software.	6 th June, 2001 Valid from 12 th April, 2001 until cancelled
12.	Sales Tax Department, Maharashtra	400020/S/2044	Registration under Bombay Sales Tax Act 1959 as re-seller of Computer, Computer Hardware and Software	6 th June, 2001 Date of effect of certificate- 12 th April, 2001
13.	Sales Tax Department, Maharashtra	VAT TIN: 27150040169V CST TIN: 27150040169C	Allotment of TIN Number	Active with effect from 1 st April, 2006
14.	Registrar of Trademarks, Mumbai	Trademark No. 1240602	For registering trademark for 'Vidyopasana'- Computer education software and interactive multimedia hearing system	22 nd October, 2005 As of the date 30 th September, 2003. Valid for 10 years.
15.	Registrar of Trademarks, Mumbai	Trademark No. 1240603-1240605	For registration of the Logo of the Company in class 9 and 16	22 nd October, 2005 As of the date 30 th September, 2003. Valid for 10 years.
16.	Moody International Certification Ltd.	Certificate No. IJA-0451.09	Certificate for ISO 9001: 2008	First certification date: 14 th July, 2006. The current certificate is valid from 29 th September, 2009 to 28 th September, 2012.

Pending Approvals:

Sl. No.	Issuing Authority	Application No.	Nature of License	Application Date
1	Registrar of Trade Marks, Mumbai	1854476, 1854477 and 1854478	Trade mark for XL@School	25 th August, 2009



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Investment Approvals

As per notification number bearing FEMA/20/2000-RB dated May 3, 2000, as amended from time to time, under automatic route of the Reserve Bank, our Company is not required to make an application for Issue of Equity Shares to NRIs/FIIs with repatriation benefits. However, the allotment/transfer of the Equity shares to NRIs/FIIs shall be subject to the prevailing RBI Guidelines.

SECTION IX - REGULATORY AND STATUTORY DISCLOSURES

Authority for the Present Issue

The issue of Equity Shares by our Company has been proposed by the resolution of the Board of Directors passed at their meeting held on 25th May, 2009. The shareholders of our Company have authorized and approved this Issue under section 81(1A) of the Act by a Special Resolution through Postal Ballot on 15th July 2009.

Prohibition by SEBI

Our Company, our Directors, our Promoters, the Directors of our Promoter Companies or persons in control of our Promoter Companies, the group companies, companies promoted by or Promoters and companies or entities with which our Company's Directors are associated as directors / promoters / partners 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. The listing of any securities of our Company has never been refused at anytime by any of the stock exchanges in India. Our Company, our Promoters, their relatives, group companies and associate companies has, not been detained as willful defaulters by RBI/government authorities and there are no violations of securities laws committed by them in the past or pending against them.

Eligibility for the Issue

Since, our Company is a listed Company, it is eligible to make a public issue of Equity Shares as per Regulation 26 (2) (a) (i) and (b) (i) of SEBI (ICDR) Regulations, 2009, as the aggregate of the Issue and all previous issues made in the same financial year in terms of size (i.e., Issue through Issue document + firm allotment + Promoters' contribution through the Issue document), does not exceed 5 times its pre-issue net worth as per the audited balance sheet of the last financial year i.e. March 31, 2009. The detailed working of the same is mentioned hereunder:

		(Rs.in lacs)
a)	Proposed Issue Size	3477.50
b)	All previous issues made in the same financial year in terms of size (i.e. issue through issue document + firm allotment + promoters' contribution through the issue document	0.00
c)	Aggregate of a) and b)	3477.50
d)	Pre-Issue Net worth as per the last audited balance sheet for the financial year ended March 31, 2009	704.78
e)	Five (5) times of d)	3523.90

We hereby undertake that the Proposed Issue Size will not exceed Rs 3523.90 lacs (i.e. Five (5) times of Pre-Issue Net worth as per the audited balance sheet for the year ended March 31, 2009.)

There has been a change in the name of the company on December 28, 2008 and the activity suggested by the name Viz., educational software has contributed to 100% of the company's revenue for the year ended March 31, 2009, which is Rs.1040.09 Lacs (reckoned from the date of filing of this Red Herring Prospectus with SEBI).



DISCLAIMER CLAUSES

SEBI DISCLAIMER CLAUSE

AS REQUIRED, A COPY OF THE DRHP HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRHP. THE BOOK RUNNING LEAD MANAGER ASHIKA CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRHP ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 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 DRHP, THE BOOK RUNNING LEAD MANAGER ASHIKA CAPITAL 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 ASHIKA CAPITAL LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 29, 2009 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 WHICH READS AS FOLLOWS:

“WE, THE UNDER NOTED LEAD MERCHANT BANK TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS MORE PARTICULARLY REFERRED TO IN THE ANNEXURE HERETO IN CONNECTION WITH THE FINALISATION OF THE DRHP 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, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY,

WE CONFIRM THAT:

(a) THE DRHP FORWARDED TO THE BOARD 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 GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY THE BOARD, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(c) THE DISCLOSURES MADE IN THE DRHP 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 SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AND OTHER APPLICABLE LEGAL REQUIREMENTS).

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.



- 4. WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP.**
- 6. WE CERTIFY THAT CLAUSE 4.6 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRHP.**
- 7. WE UNDERTAKE THAT CLAUSES 4.9.1, 4.9.2, 4.9.3 AND 4.9.4 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT ALL PROMOTER'S CONTRIBUTION AND SUBSCRIPTION FROM ALL FIRM ALLOTTEES WOULD BE RECEIVED ATLEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.**
- 8. WHERE THE REQUIREMENT OF PROMOTERS' CONTRIBUTION IS NOT APPLICABLE TO THE ISSUER, WE CERTIFY THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION UNDER CLAUSE 4.10 (SUB-CLAUSE (A), (B), OR (C), AS MAY BE APPLICABLE) ARE NOT APPLICABLE TO THE ISSUER – NOT APPLICABLE.**
- 9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 10. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) 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 DRHP. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.**
- 11. WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE.**
- 12. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE AS THE OFFER SIZE IS MORE THAN 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.**
- 13. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP**



(a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE COMPANY 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.”

THE FILING OF DRHP DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI, FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN OFFER DOCUMENT.

GENERAL DISCLAIMER

Investors may note that our Company, its Directors and its BRLMs, accept no responsibility for statements made other than in this RHP or in the advertisement or any other material issued by or at the instance of the Issuer Company or BRLMs and that any one, placing reliance on any other source of information would do so at their own risk.

The BRLM, do not accept any responsibility save to the limited extent as provided in terms of the Memorandum of Understanding entered into between our Company and the BRLM dated July 31, 2009 and the Underwriting Agreement to be entered into between our Company and the Underwriters.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for any section of the investors in any manner whatsoever including at road shows, presentations, in research or sales reports etc. We shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other Trust law and who are authorized under their constitution to hold and invest in shares) and to NRIs, FIIs and Foreign Venture Capital Funds Registered with SEBI. This RHP does not, however, constitute an invitation to subscribe to shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this RHP comes is required to inform himself or herself about, and to observe any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the RHP has been filed with SEBI. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this RHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this RHP nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE OF BSE

“Bombay Stock Exchange Limited (“the Exchange”) has given vide its letter dated October 23, 2009 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or



- ii. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of CSE

"The Calcutta Stock Exchange Ltd. ("the Exchange"), has given its permission to the company to use the name of the Exchange in the Red Herring Prospectus as a Non –Designated Stock Exchanges on which the company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the company. This Exchange does not in any manner:

- 1) warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, or
- 2) warrant that the company's securities will be listed or will continue to be listed on this Exchange, or
- 3) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company; and

it should not for any reason be deemed or construed that this Red Herring Prospectus has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of the company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated in the Red Herring Prospectus or for any other reason whatsoever."

Disclaimer Clause of ASE

"Ahmedabad Stock Exchange Limited has given vide its letter dated 27.10.2009 permission to this company to use the Exchange's name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for aforesaid permission to this company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."



UNDERTAKING FROM PROMOTERS AND DIRECTORS

The Company accepts full responsibility for the accuracy of the information given in this RHP and confirms that to the best of their knowledge and belief, there are no other facts, the omission of which makes any statement in this RHP misleading and we further confirm that we have made all reasonable inquiries to ascertain such facts. We further declares that the Stock Exchange to which an application for official quotation is proposed to be made do not take any responsibility for the financial soundness of this proposed composite issue or for the price at which the equity shares are offered or for the correctness of the statements made or opinions expressed in this RHP.

The Promoters/directors declare and confirm that no information/material likely to have a bearing on the decision of investors in respect of the shares offered in terms of this RHP has been suppressed, withheld and/or incorporated in the manner that would amount to misstatement/mis-representation and in the event of its transpiring at any point of time till allotment /refund, as the case may be, that any information/material has been suppressed/withheld and /or amounts to an misstatements/misrepresentation , the promoters /directors undertake to refund the entire application monies to all subscribers within seven days thereafter without prejudice to the provision of section 63 of the Companies Act,1956.

We will update the RHP and keep the Public informed of any material changes in the document till the listing and trading.

FILING

A copy of the RHP has been filed with the Corporate Finance Department of SEBI at: SEBI Bhawan, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under 60B of the Companies Act would be delivered for registration to the Registrar of Companies, 100 Everest Building, Marine Lines, Mumbai – 400 020, Maharashtra and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC.

LISTING

Application has been made to the Bombay Stock Exchange Limited, the Calcutta Stock Exchange Limited and Ahmedabad Stock Exchange for permission to deal in and for an official quotation of the additional Equity Shares to be issued under the present follow on offer pursuant to this document.

Bombay Stock Exchange Limited shall be the Designated Stock Exchange with which the basis of allotment will be finalized for the QIB, Non Institutional and Retail portion.

If the permission to deal in and for an official quotation of the additional Equity Shares is not granted by the Bombay Stock Exchange, we shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this RHP. If such money is not repaid within eight days after we become liable to repay it, i.e., from the date of refusal or within 70 days from the date of Bid/ Issue Closing Date, whichever is earlier, then we and all our directors jointly and severally shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

We shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at BSE, CSE and ASE are taken within seven working days of finalization of Basis of Allotment for the Issue.

CONSENTS

Necessary Consents for the issue have been obtained from the following

1. Directors of our Company
2. Promoters of our Company
3. No Objection from Bankers to our Company
4. Auditors to our Company
5. Book Running Lead Manager to the Issue
6. Syndicate Members,
7. Legal Advisor to the Issue
8. Registrar to the Issue
9. Company Secretary & Compliance Officer
10. Bankers to the Issue
11. Underwriters to Issue

The said consents would be filed along with a copy of the RHP with the Registrar of Companies, 100 Everest Building, Marine Lines, Mumbai – 400 020, Maharashtra, as required under Sections 60 and 60B of the Companies Act, 1956 and such consents have not been withdrawn up to the time of delivery of the RHP, for registration with the Registrar of Companies, 100 Everest Building, Marine Lines, Mumbai – 400 020, Maharashtra

M/s. LKM & Co., Chartered Accountant, have given their respective written consents to the inclusion of their report in the form and context in which it appears in this RHP and such consents and reports have not been withdrawn up to the time of delivery of this RHP for registration with the RoC.

M/s. LKM & Co., Chartered Accountant, have given their written consents to the tax benefits accruing to our Company and its members in the form and context in which it appears in this RHP and have not withdrawn such consent up to the time of delivery of this RHP for registration with the RoC

EXPERT OPINION

Except as stated elsewhere in this RHP, our Company has not obtained any expert opinions.

Issue Expenses

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

(Rs. in Lakhs)				
Sl. No	Particulars	Amount	% of total Issue Expenses	% of total Issue size
a)	Book Running Lead Managers' fees, Underwriting & Brokerage	[•]	[•]	[•]
b)	Registrars fees including postage	[•]	[•]	[•]
c)	Legal Advisor's fees	[•]	[•]	[•]
d)	Stock Exchange fees for providing bidding terminals	[•]	[•]	[•]
e)	SEBI fees on filing of Offer Document	[•]	[•]	[•]
f)	Printing & Distribution of Stationary	[•]	[•]	[•]
g)	Advertisement and Marketing expenses			
h)	Other Miscellaneous expenses (Auditors fees, Listing Fees, etc)	[•]	[•]	[•]
	Total	303.15	[•]	[•]



FEES PAYABLE TO THE BRLMS, BROKERAGE AND SELLING COMMISSION

The total fees payable to the BRLM including underwriting & brokerage if any for the Issue will be as per the Memorandum of Understanding executed between our Company and the BRLM July 31, 2009, a copy of which is available for inspection at our Registered Office and forms part of Material Contracts & Documents.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue, Bigshare Services Pvt. Ltd., will be as per the Memorandum of Understanding executed between our Company and the Registrar dated August 01, 2009 a copy of which is available for inspection at our Registered Office and forms part of Material Contracts & Documents.

Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post.

PREVIOUS PUBLIC OR RIGHTS ISSUES IN THE LAST 5 YEARS

Our Company has not made any public or rights issue of Equity Shares/ Debentures in the last 5 years.

PREVIOUS ISSUE OF SHARES OTHERWISE THAN FOR CASH

Our Company has not issued any Equity Shares for consideration other than cash except as detailed in the section entitled 'Capital Structure' on page no. 19 in this RHP.

COMMISSION OR BROKERAGE ON PREVIOUS ISSUES

We made an initial public offer of our Equity Shares in the year 1994. Underwriting commission @ 2.5% was paid on the amount of equity shares offered to the public for subscription. Brokerage was paid @ 1.5% on the nominal value of equity shares on the basis of allotment made against application.

Details of capital issue made during last three years in regard to the issuer company and other listed companies under the same management within the meaning of section 370(1)(B) of the Companies Act, 1956.

There have been no capital issues during last 3 years by us. However there have been public / rights issues by our group companies, as detailed under the head "Promoter / group Companies, beginning on Page No: 106 of this RHP.

PROMISE V/S PERFORMANCE

Birla Shloka Edutech Limited

Our company was originally incorporated as Rathi Merchantile Industries Limited in 1992 and came out with an Initial Public Offer (IPO) in October 1994.

The basic objective of the fund raising activity was to facilitate their business of finance leasing & hire purchase. Their secondary objectives were to help in planned growth of the company & also to enhance the borrowing power of the company on the strength of the expanded capital base.

As disclosed in the Prospectus, the proposed deployment of funds raised was as under:

Particulars	Amount (Rs in lakhs)
Office Premises	30.00
Computers	10.00
Office Equipments	2.00
Vehicles	8.00
Assets creation for leasing	270.00
Stock turnover in Hire Purchase	50.00
Preliminary expenses	38.50
Issue Expenses	21.50
TOTAL	430.00

The total means of finance would amount to Rs 430 Lakhs consisting of

Source	Amount (Rs. in Lakhs)
Promoters contribution	209.00
IPO	171.00
Bank Finance	50.00
Total	430.00

The company was under the management of Mr. Shyamsunder Rathi when the IPO was made. Subsequently, the company was then taken over by Yash Birla Group in the year 1998. As per the available records deployment of funds have taken place before the takeover.

Listed Ventures of Promoters

Group Companies

Four Group companies of Yash Birla Group namely Zenith Birla (India) Limited, Dagger Forst Tools Limited, Birla Cotsyn (India) Limited and Birla Power Solutions Limited have made Public Issue/ Rights Issues during the last three years. Details of the same are given hereunder:

1. Zenith Birla (India) Limited

The Company has come out with a follow-on Public Issue of 2,38,18,182 Equity Shares of Rs.10/- each offered at a fixed price of Rs.55/- per share (including a premium of Rs.45/- per share) aggregating to Rs.13,100 Lakhs to finance its expansion project, working capital requirements and to meet the issue expenses. The said issue was opened for subscription on 16th October, 2006 and closed on 20th October, 2006. The issue was fully subscribed and the basis of allotment was finalized in consultation with the Bombay Stock Exchange Ltd. and the new equity shares were listed on BSE with effect from 21st November, 2006.

The objects of the issue were:

1. Setting up additional facilities for manufacture of Mechanical tubes
2. Working Capital (existing business)
3. Margin Money for Working Capital (Mechanical tube Business)
4. To meet the issue expenses.

Details of utilization of Public Issue proceeds of Rs.131 crores towards ongoing project are as follows:

(Rs. In Lakhs)			
Sl. No.	Particulars	Projected Amount	Balance amount to be spent
I	Land and Site Development	42	-
II	Building	1576	835
III	Plant and Machinery	7157	6298
IV	Miscellaneous Fixed Assets	47	37
	Sub Total	8822	7170
V	Preliminary and Pre-operative expenses	150	98
VI	Public Issue Expenses	1200	(10)
VII	Contingency	221	221
VIII	Working Capital (Existing)	2150	-
IX	Working Capital (Project)	557	557
	Total	13100	8036

Keeping in view of the change in the preferences of potential customers, certain modifications were made in the project plan envisaged in the Prospectus issued for the Follow on Public Offer. There has been a delay in the implementation of project on account of the modifications in the project plan. Further, the general slowdown in the auto and auto component sector (the target sector of the new project) reduced the pace of the implementation.

Pending full utilization, the balance amount is held in Current/Fixed deposit/liquid assets accounts. Similarly the company has also deployed the available surplus in reducing its working capital and cash credit utilization for ensuring the timely availability of resources when required.



Activity - Mechanical Tube Project	As per Prospectus Commencement Date	As per Prospectus Completion Date	Actual/Expected
Acquisition of Land	Existing Land in Khopoli will be utilized for setting up Mechanical Tube Project	Completed	Completed
Development of Land Building	September 2006	November 2006	Completed
Factory Building	December 2006	June 2007	December 2009
Auxiliary Building	December 2006	May 2007	March 2010
Machine Foundation	February 2007	May 2007	March 2010
Administrative Building	March 2007	June 2007	December 2009
Plant and Machinery			
Indigenous - Placement of order	November 2006	January 2007	March 2010
Delivery at Site	April 2007	August 2007	March 2010
Imported - Placement of order	October 2006	December 2006	March 2010
Delivery at Site	May 2007	July 2007	April 2010
Erection of Plant and Machinery	June 2007	October 2007	June 2010
Trial Run		November 2007	July 2010
Commercial Production		December 2007	August 2010

The delay in the project has been on account of slight modification in the Project Plan due to change in product specification which was derived from a fresh market survey conducted by the Company of the customer preferences.



3. Dagger Forst Tools Limited (DFTL)

Dagger Forst Tools Limited had come out with a composite issue of equity shares of Rs. 10/- each aggregating to Rs. 2900.00 lakhs comprising of:

Rights issue of 33,24,954 equity shares of Rs. 10/- each for cash at a premium of Rs. 23 per share (i.e. at a price of Rs. 33 per share) aggregating to Rs. 1,097.23 lakhs to the existing equity shareholders of the company in the ratio of (5) equity shares for every (7) equity shares held as on July 06, 2007 (record date) and

Public issue of 4006150 equity shares of Rs. 10/- each for cash at a price of Rs. 45 inclusive of premium aggregating to Rs. 1,802.77 lakhs including promoter's contribution of 4,00,000 equity shares for cash at a price of Rs. 45 inclusive of premium aggregating to Rs. 180.00 lakhs. Thus net offer to the public is 36,06,150 equity shares of Rs. 10/- for cash at a price of Rs. 45 inclusive of premium aggregating to Rs. 1622.77 lakhs. The Net Public Issue was 30.09% of the post issue paid up capital of the Company.

Utilisation of proceeds of public/right issue of DFTL as on 30.9.2009 is as under:

(Rs. in Lakhs)			
Sr. No.	Description	Total Estimated Cost	Deployed upto 31 st March, 2009
I	Aurangabad Project		
	Building	120.00	102.95
	Plant and Machinery & Electrical	1365.50	844.75
	Miscellaneous Fixed Assets	329.36	
	Contingencies	185.00	
	Pre Operative Expenses	80.00	
II	Margin Money for working capital requirement for Aurangabad Project	50.00	
III	Conversion of unsecured loan into equity raised by company for setting up the Gandhidham Project from Nirved Traders Pvt. Ltd, Promoter Company	470.14	470.14
IV	To meet expenses of issue	300.00	276.42
	Total	2900.00	1694.26

As per the prospectus, the funds which were proposed to be deployed in the Aurangabad Project upto the quarter ended 30th September, 2008 was envisaged at Rs. 2129.86 Lacs consisting of Rs. 120 Lacs towards building and Rs. 2009.86 lacs towards Plant and Machinery, Electrical, Contingencies, Pre Operative Expenses and Margin Money for Working Capital. However, the actual amount spent towards these expenses is Rs. 102.95 Lacs and Rs. 844.75 Lacs respectively.

The machining project was envisaged to be set up for forgings for supplies to the auto and auto components sector, however, due to the overall slowdown in the economy, these sectors were adversely affected and the demand for machining work was further reduced. Due to these reasons the Company has slowed down the implementation of the project.

However, with the improvement in the overall sentiments in the Indian Economy, the Company has expedited the project implementation schedule and it's expected that the said machining project may be completed soon.

Pending utilization, the balance amount of Rs. 1170.70 Lacs is held in current/fixed deposit/liquid assets accounts.

**Schedule of Implementation**

Sl. No.		Activity	As per Prospectus - Commencement	As per Prospectus - Completion	Actual/Expected
A	Civil Work	1. Preparation of building drawing & approval from GDA	Sep-07	Oct-07	Oct-07
		2. Finalization of Contractor	Sep-07	Sep-07	Sep-07
		3. Commencement of Civil Work	Oct-07	Jul-08	In Progress
B	Manpower	1. Recruitment	Oct-07	May-08	In Progress
		2. On the job training at site	Jul-08	Sep-08	In Progress
C	Plant & Machinery	1. Quotation from supplier	Jun-06	Sep-07	Aug-07
		2. Order Placement & Establishing L/C	Nov-07	Dec-07	Jan-08
		3. Delivery	Feb-08	Aug-08	In Progress
		4. Installation and Commissioning	Aug-08	Oct-08	In Progress
		5. Electrical Installation & Air conditioning	May-08	Aug-08	In Progress
E	Commencement of Commercial Production		Nov- 08		April 2010
F	Government Approval	1. L.T. Connection	Nov-07	Jan-2008	In Progress
		2. Water Supply	Oct-07	Dec-07	In Progress

The Company manufactures cutting tools which are used by the automotive and auto component manufacturing companies. The machining project was envisaged to be set up for forgings for supplies to the auto and auto component companies, however due to overall slowdown in the economy, the auto and auto component industry was adversely affected. This resulted in lower off take of Company's products and the demand for machining work was further reduced. Hence the company has implemented about 60% of the project but had to temporarily slow down the implementation of the machining project which has resulted in a delay in the project schedule.

3. Birla Cotsyn (India) Limited

The company had come out with its IPO in June/ July 2008 by issuing 102,982,729 Equity shares of Rs.10 each for cash at a price of Rs.14/- per share aggregating to Rs.144.18 crores to finance the expansion of company's integrated textile project and to set up a garment manufacturing plant & to establish retail outlets. The said issue was opened for subscription on 30th June 2008 and closed on 4th July 2008. The issue was fully subscribed and the basis of allotment was finalized in consultation with the Bombay Stock Exchange Ltd. and the new equity shares were listed on BSE with effect from 30th July 2008.

The details of utilization of the funds received from IPO of equity shares of Birla Cotsyn (India) Limited as on 30.9.2009 (aggregating to Rs. 144.18 crores) are as under:

(Rs. in Crores)			
Sl. No.	Particulars	Estimated Utilisation Amount	Actual Utilisation Amount upto March 2009
1	Expansion of integrated Textile Project at Khamgaon and Malkapur	105.77	82.77
2	Setting up of Garment Manufacturing unit	25.21	11.60
3	Establishing retail unit	5.80	2.01
4	Expenses relating to IPO	7.40	7.40
	Total	144.18	103.78

The project consisted of three phases, namely Phase 1 for setting up of 36000 cotton spindle yarn manufacturing unit at Malkapur and Phase 2 for manufacture of open end rotor based cotton yarn. The company has commissioned the spinning unit of 36000 spindles and the open end project. The weaving of grey fabric unit which is also part of Phase 2 is under progress and the installation of machinery is under way.

The processing plant which is part of Phase 3 for manufacture of finished cloth is under process.

The setting up of apparel manufacturing plant and retail outlets will be undertaken after the completion of Phase 3.

The delay in the implementation is mainly on account of the overall slowdown in the global and Indian economy, which resulted in reduction in consumer spending.

Pending full utilization, the balance amount is held in current accounts and loans and advances for timely availability of resources when required.

Schedule of Implementation for Integrated Textile Project

Phase I

Particulars	As per Project Appraisal		As per the revised schedule	
	Commencement	Completion	Commencement	Completion
Land	Already acquired		Already acquired	
Land Development & building construction	January 06	March 07	August 07	Completed
Plant & Machineries order placement	March 07	December 06	August 06	Completed
Installation of Machineries	April 07	August 07	January 08	Completed
Trial Production	September 07	September 07	March 08	Completed
Commercial Production	October 07	October 07	April 08	Completed

**Phase II**

Particulars	As per Project Appraisal		As per the revised schedule	
	Commencement	Completion	Commencement	Completion
Land	Already acquired		Already acquired	
Land Development & building construction	March 07	September 07	August 07	Completed
Plant & Machineries order placement	March 07	April 07	March 07	Completed
Delivery at site	October 07	October 07	December 08	
Installation of Machineries	November 07	November 07	March 08	Completed
Trial Production	December 07		March 08	Completed
Commercial Production	January 08		March 08	Completed

Phase III

Particulars	As per Project Appraisal		As per the revised schedule	
	Commencement	Completion	Commencement	Completion
Land	Already acquired		Already acquired	
Land Development & building construction	January 08	March 08		Completed
Plant & Machineries order placement	March 08	April 08	September 07	Completed
Delivery at site	May 08	May 08	June 10	
Installation of Machineries	May 08	May 08	October 09	Completed
Trial Production	June 08		March 11	
Commercial Production	July 08		April 11	

RMG (Readymade Garment Project) (Setting up of new apparel manufacturing unit)

Sl. No.	Activity	Expected Month of Commencement	Expected month of Completion	Percentage Completed
Setting up of new apparel manufacturing unit				
a	Land acquisition		Completed	100%
b	Site Development	August 09	Completed	100%
c	Construction of Buildings	December 09	November 10	-
d	Plant and Machinery Order Placement	April 10	June 10	50%
e	Delivery	September 10	December 10	-
f	Installation	October 10	February 11	-
g	Trial Runs	February 11	March 11	-

**4. Birla Power Solutions Limited**

The company had come out with its IPO in April 2006 by issuing 120,00,000 Equity shares of Rs.10 each for cash at a premium of Rs.32 per shares (i.e. Issue Price of Rs. 42/- per share) aggregating to Rs.5040 Lakhs vide prospectus dated March 08, 2006. The said issue was opened for subscription on March 24, 2006 and closed on March 29, 2006. The issue was fully subscribed and the basis of allotment was finalized in consultation with the Bombay Stock Exchange Ltd.

The main objects of the issue were:

- To finance the cost of expansion of the capacities of the existing products of the company viz., Diesel Genset, Multi Purpose Engine, Alternators and Fuel Tank
- To finance the setting up of a new plant for manufacturing LPG/CNG Gensets, Inverter, Engines and Accoustic Hoods
- To meet the margin money for working capital requirement
- To meet the expense of the issue

Details of utilization of funds of Public Issue amounting to Rs. 5041.34 Lakh are as follows:

(Rs. in Lakhs)

Sr. No.	Particulars Specified in Prospectus	Estimated Expenditure	Payment released upto 31.3.2007
1	Factory Building		
	a. Site Development	100.00	100.00
	b. Building and Civil Work	920.52	920.52
2	Purchase of Assets (Plant and Machinery including Misc.)	2314.89	2314.89
3	Preliminary and Preoperative Expenses	102.10	43.20
4	Contingencies	333.54	333.54
5	Issue Expenses	343.55	343.55
6	Margin Money and Working Capital	926.74	985.64
	Total	5041.34	5041.34

Schedule of Implementation

Sr. No.	Major Activities	As Per Prospectus Commencement	As Per Prospectus Completion	Actual Completion
1	Land Development/Construction of Building	January 2006	June 2006	January 2007
2	Placing order for Plant & Machinery	February 2006	April 2006	May 2006
3	Plant & Machinery Procurement	March 2006	August 2006	October 2006
4	Procurement of Other Fixed Assets	June 2006	August 2006	January 2007
5	Erection/Installation of Plant & Machinery	May 2006	September 2006	January 2007
6	Trial Production/Commercial Production	October 2006		February 2007



The time overrun was on account of delay in delivery of Plant & Machinery from suppliers, however, there was no cost overrun.

The company also raised funds from issue of 1,86,99,600 Equity Shares of Rs. 10/- at a premium of Rs 26/- per share aggregating to Rs. 67,31,85,600/- to Qualified Institutional Buyers (QIBs) in January 2008. The amount is fully spent upto 30th June, 2008. The utilization of the aforesaid amount is given hereunder:

Sl. No.	Particulars	Amount (Rs. In lakhs)
	FUNDS UTILISED FOR:-	
1	Long Term Working Capital Requirements	3970.00
2	Repayment of Fixed Deposits	352.86
3	Payment of Statutory Dues	481.38
4	General Corporate Purposes	1927.62
	TOTAL	6731.86

OUTSTANDING DEBENTURES OR BOND ISSUE OR PREFERENCE SHARES:

Our Company has no outstanding debentures or bond issue or redeemable preference shares.

**STOCK MARKET DATA FOR OUR COMPANY'S EQUITY SHARES**

The Equity shares of the company are listed on BSE, CSE and ASE. However, by the certificate issued by CSE having No. CSEL/LD/392/2009 dated 18.8.2009 and certificate issued by ASE having Ref No. HL/20082009/50 dated 17.8.2009, there was no trading in Equity Shares on respective stock exchanges during last 3 years.

Details of the shares prices recorded on BSE for the preceding three years are as follows:

Year	HIGH			LOW			Average Price (Rs.)	Total Volume of shares traded
	High (Rs.)	Date of High	Volume on the date of High (No. of Shares)	Low (Rs.)	Date of Low	Volume on the date of Low (No. of Shares)		
2006	23.00	Jan 4, 2006	53972	7.80	Nov 9, 2006	6800	15.4	1634679
2007	33.25	Dec 19, 2007	74732	7.61	May 16, 2007	100	20.43	2744454
2008	86.45	Sep 23, 2008	49708	19.40	Mar 25, 2008	15502	52.92	3520855

(Source : www.bseindia.com)

The details of the shares prices recorded on BSE for the preceding six months are as follows:

Month	HIGH			LOW			Average Price (Rs.)	Total Volume of shares traded
	High (Rs.)	Date of High	Volume on the date of High (No. of Shares)	Low (Rs.)	Date of Low	Volume on the date of Low (No. of Shares)		
June, 2009	44.45	3-Jun-09	9,910	30.75	26-Jun-09	359	37.60	94,236
July, 2009	39.40	31-Jul-09	5,061	28.75	15-Jul-09	1,906	34.08	56,675
August, 2009	63.70	28-Aug-09	100,703	34.20	11-Aug-09	2,750	48.95	303,957
September, 2009	90.30	10-Sep-09	102,312	61.00	22-Sep-09	8,130	75.65	803,315
October, 2009	70.40	1-Oct-09	6,902	48.10	30-Oct-09	14,862	59.25	149,635
November, 2009	66.75	24-Nov-09	70,950	46.75	3-Nov-09	9,004	56.75	415,431

(Source : www.bseindia.com)

As on 26th May, 2009, the day after our Board approved this issue, the price of our Equity Shares on the BSE was Rs. 33.35.

MECHANISM FOR REDRESSAL OF INVESTOR'S GRIEVANCES

Our Company has constituted a Shareholders Grievance Committee to look into the redressal of shareholders/Investors complaints such as Issue of duplicate/split/consolidated share certificates, allotment and listing of shares and review of cases for refusal of transfer/transmission of shares, complaints for non receipt of dividends etc. For further details on this committee, please refer under the head 'Corporate Governance' on page no. 79 of this RHP. To expedite the process of share transfer, our company has appointed Bigshare Services Pvt. Ltd. as the Registrar and Share Transfer Agents of Our Company vide Memorandum of Understanding dated August 01, 2009.

DISPOSAL OF INVESTOR'S GRIEVANCES AND REDRESSAL MECHANISM

Our Company assures that the Board of Directors in respect of the complaints, if any to be received shall adhere to the following schedules:

Sl. No.	Nature of complaint	Time Table
1.	Non-receipt of refund	Within 15 days of receipt of complaint subject to production of satisfactory evidence
2.	Change of Address Notification	Within 15 days of receipt of information
3.	Any other complaint in relation to Follow on Public Issue	Within 15 days of receipt of complaint with all relevant details

Our company has appointed Ms. Jigna Parikh, Company Secretary, as Compliance Officer who would directly deal with SEBI officer with respect, to implementation/ compliance of various laws, rules, regulations and other directives issued by SEBI and matters related to investor complaints. The investors may contact the Compliance Officer in case of any offer related problems. The Compliance Officer would be available at the Corporate Office of our Company. She may be contacted at the following address:

Birla Shloka Edutech Limited

Dalamal House, 1st Floor,
J.B. Marg, Nariman Point,
Mumbai – 400 021
Maharashtra
Tel: +91-22- 66168400/ 460
Fax: +91-22-2204 7835
Email: complianceofficer@birlashloka.com

CHANGES IN AUDITORS DURING THE LAST THREE YEARS

M/s L.K.M & Co, Chartered Accountants, Mumbai was appointed as the Auditors of the company by the Board of Directors at their meeting held on 28th March 2006 and confirmed by the shareholders of the company at the AGM held on 23rd September 2006. L.K.M & Co have been continuing as the Statutory Auditor for the last 4 years.

CAPITALISATION OF RESERVES OR PROFITS DURING THE LAST FIVE YEARS:

Our Company has not issued any bonus shares till date.

REVALUATION OF ASSETS DURING THE LAST FIVE YEARS:

Our company has not revalued any of its assets since its inception.

SECTION X - OFFERING INFORMATION

ISSUE STRUCTURE

This Issue is being made through a 100% Book Building Process. The Issue comprises of [●] equity shares of Rs. 10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. 3477.50 lakhs (hereinafter referred to as the "Issue"). The issue comprises promoter's contribution of [●] equity shares of Rs. 10/- each at a price of Rs. [●] per equity share aggregating to Rs. 500.00 lakhs (hereinafter referred to as promoter's contribution) and Net Issue to the public (hereinafter referred to as "The Net Issue" or "Net Issue to the public") of [●] equity shares aggregating to Rs. 2977.50 lakhs. The net issue would constitute [●]% of the fully diluted post issue paid-up capital of our company. The details of the issue structure are as follows:

Particulars	QIBs	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Not more than [●] Equity Shares of Rs 10 each at a price of Rs. [●] aggregating to Rs 1488.75 Lakhs	Not less than [●] Equity Shares of Rs 10 each at a price of Rs [●] aggregating to Rs 446.625 Lakhs	Not less than [●] Equity Shares of Rs 10 each at a price of Rs [●] aggregating to Rs 1042.125 Lakhs
Percentage of Issue Size available for allocation	Not more than 50% of the Net Issue or Net Issue less allocation to Non-Institutional Bidders and Retail Individual Bidders. However, 5% of the QIB portion shall be available for allocation proportionately to Mutual funds only. 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 Net Issue or Net Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of Net Issue or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allocation if respective category is oversubscribed	Proportionate as follows: a. Equity Shares shall be allocated on proportionate basis to Mutual Funds in the Mutual Fund portion; b. Equity Shares shall be allocated on proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs. 1,00,000.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs. 1,00,000.	[●] Equity Shares
Maximum Bid	Such number of Equity shares in multiples of [●] equity shares so that the bid does not exceed the Net issue subject to regulations as applicable to the Bidder	Such number of Equity shares in multiples of [●] equity shares so that the bid does not exceed the Net issue subject to regulations as applicable to the Bidder	Such number of Equity Shares in multiples of [●] equity shares so that the Bid amount does not exceed Rs. 1,00,000/-



THE YASH BIRLA GROUP



BIRLA SHLOKA EDUTECH LTD

Mode of Allotment	Dematerialized mode	Dematerialized mode	Dematerialized mode
Trading Lot/Market lot	One (1) Equity Share	One (1) Equity Share	One (1) Equity Share
Who can apply**	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, foreign institutional investor registered with SEBI, multilateral and bilateral development financial institutions, Venture Capital Funds registered with SEBI, foreign Venture capital investors registered with SEBI, State Industrial Development Corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 2500 Lakhs and pension funds with minimum corpus of Rs. 2500 Lakhs, National Investment Fund set up by Resolution F.NO. 2/3/2005 DD 11 DATED Nov.23,2005 in accordance with applicable law.	Companies, Corporate Bodies, Scientific Institutions, Societies, Trusts, Resident Indian individuals, HUF (in the name of Karta), and NRIs (applying for an amount exceeding Rs. 1,00,000/-)	Individuals (including NRIs and HUFs in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs. 1,00,000 in value.
Terms of payment	Margin Amount applicable to QIB Bidders at the time of submission of Bid cum Application form to the members of the syndicate	Margin Amount applicable to Non Institutional Bidders at the time of submission of Bid cum Application form to the members of the syndicate	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid cum Application form to the members of the syndicate or the ASBA Form to the SCSB.***
Margin Amount	At least 10% of the Bid amount in respect of bids placed by QIB bidder on bidding	Full amount on bidding	Full amount on bidding

* Subject to valid bids being received at or above the Issue Price. Under-subscription, if any, in any category, would be allowed to be met with spill over inter-se from any other categories, at the discretion of our Company in consultation with the BRLMs subject to applicable provisions of SEBI Regulations.

** In case the Bid Cum Application Form or ASBA 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 or ASBA Form.

*** Resident Retail Individual Investor, High Networth Individuals, Corporate Investors etc. except Qualified Institutional Buyers who are eligible to apply through ASBA process, for details please refer Section "ASBA Process" on page no. 317 of this RHP. Change as applicable and checked for consistent defined terms.

Note:

Equity Shares being offered through this RHP can be applied for in dematerialized form only.

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles of the Company, the terms of this RHP, Bid-cum-Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the allotment advice, and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to this Issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies and/or other authorities, as in force on the date of this Issue and to the extent applicable.

Investors should note:

The SEBI Guidelines have been amended on September 19, 2005. Pursuant to those amendments, certain significant changes have been made, including with regard to the allocation procedure for QIBs. Certain changes may be made to the terms of the Issue and the description of the Issue procedure based on the discussions the BRLMs may have on clarifications that they may obtain from SEBI and the Stock Exchanges.

Authority for the Issue

The issue of Equity Shares by our Company has been proposed by the resolution of the Board of Directors passed at their meeting held on 25th May, 2009. The shareholders of our Company authorized and approved this Issue under section 81(1A) of the Act by a Special Resolution through Postal Ballot on 15th July 2009.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of our Memorandum and Articles and shall rank *pari passu* in all respects with the other existing Equity Shares of our Company including rights in respect of dividend. The Allottees will be entitled to dividend or any other corporate benefits, if any, declared by our Company after the date of Allotment. See the section titled “Main Provisions of the Articles of Association of our Company” beginning on page no. 329 of this RHP for a description of the Articles of Association.

Mode of Payment of Dividend

The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash and as per provisions of the Companies Act.

Face Value and Issue Price

The Equity Shares with a face value of Rs. 10 each are being issued in terms of this RHP at a price of Rs. [•] per share. The Floor Price is Rs. [•] and the Cap Price is Rs. [•] per Equity Share. The issue price will be determined by our Company in consultation with the BRLMs on the basis of assessment of market demand for the equity shares offered by way of book building. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

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



- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and Articles of Association of the Company.

For further details on the main provisions of the Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see "Main Provisions of the Articles of Association of the Company" beginning on page no. 329 of this RHP.

Market Lot and Trading Lot

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

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

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first bidder, along with other joint bidder, 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 transferred, 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.

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

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

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

The subscription list would remain open from January 11, 2010 to January 13, 2010.

Application by Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI

There is no reservation for any NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions and such NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions will be treated on the same basis with other categories for the purpose of allocation/allotment.

As per RBI regulations, OCBs cannot participate in the Issue.

Minimum Subscription



If our Company does not receive the minimum subscription of 90% of the Net Issue to the Public including devolvement of underwriters, if any, within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days, we and every director of our Company who is an officer in default, becomes liable to repay the amount with interest as per Section 73 of the Companies Act. If the number of allottees in the proposed Issue is less than 1,000 allottees, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after we become liable to pay the amount, we shall pay interest at the rate of 15% per annum for the delayed period.

Arrangements for Disposal of Odd Lots

Since, our Equity Shares will be traded in dematerialized form only; the marketable lot is one (1) Equity Share. Therefore, there is no possibility of any odd lots.

Jurisdiction

The jurisdiction for the purpose of this Issue is with competent courts/authorities in Mumbai, India.

Allotment Reconciliation and Revised CANs

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE system. Based on the electronic book, 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. Subject to SEBI 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.

Application in Issue

Equity Shares being issued through this RHP can be applied for in the dematerialised form only.

Restrictions, if any on Transfer and Transmission of Equity Shares

The restrictions, if any, on the Transfer and Transmission of our Equity Shares are contained in section “Main provisions of Article of Association” on page 329 of this RHP.

Compliance with SEBI Regulations

Our Company shall comply with all requirements of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time. Our Company shall comply with all disclosure norms as specified by SEBI from time to time.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue at any time including after the Bid/Issue Closing Date, until final Allotment of the Equity Shares in the Issue, without assigning any reason therefore. Notwithstanding the forgoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the Company shall apply only after Allotment and (ii) the final ROC approval of the prospectus after it is filed with Stock Exchanges.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% book building method where in up to 50% of the Net Issue to Public shall be allocated on a proportionate basis to Qualified Institutional Buyers with 5 % of compulsory allocation to mutual funds only and the remainder of the Qualified Institutional Buyers portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid being received at or above the issue price. Further, not less than 15% of the Net Issue to Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue to Public shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the members of the Syndicate. ASBA investors intending to subscribe to the issue, shall submit a complete ASBA form to the designated branch of the SCSB. We, in consultation with the BRLM, reserve the right to reject any Bid procured by any or all members of the Syndicate without assigning any reasons therefore in case of QIBs. In case of Non-Institutional Bidders and Retail Individual Bidders, we would have a right to reject the Bids only on technical grounds.

We, in consultation with the BRLM would have proportionately allocate to QIBs based on a number of criteria, which will typically include, but would not be limited to, the following: prior commitment, investor quality, price, earliness of bid, existing and continued shareholding of QIBs during the period prior to the Bid Opening Date and until the date of pricing.

Investors should note that Equity Shares would be allotted to all successful Bidders only in dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Bid-cum-Application Form

Bidders shall only use the specified Bid-cum-Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this RHP. The Bidder shall have the option to make a maximum of three Bids in the Bid-cum-Application Form and such options shall not be considered as multiple Bids. Upon the allotment 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 authorized us to make the necessary changes in this RHP and the Bid-cum-Application Form as would be required for filing the Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid-cum-Application Form for various categories is as follows:

Category	Colour of Bid-cum-Application Form
Indian Nationals or NRIs applying on a non-repatriation basis	White
NRIs or FIIs or Foreign Venture Capital Funds registered with SEBI, Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
ASBA Form	White

Who Can Bid?

- Indian nationals resident in India who are majors, in single or joint names (not more than three);
- 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 authorized 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 regulations and SEBI Regulations, as applicable);
- Venture capital funds registered with SEBI;
- Foreign venture capital investors registered with SEBI;
- State Industrial Development Corporations;
- Insurance companies registered with the Insurance Regulatory and Development Authority;
- Provident funds with minimum corpus of Rs.2500 lakhs and who are authorized under their constitution to invest in Equity Shares;
- Pension funds with minimum corpus of Rs.2500 lakhs and who are authorized under their constitution to invest in Equity Shares;
- Multilateral and bilateral development financial institutions;
- National Investment Fund set up by resolution F.No. 2/3/2005-DD-11 dated November 23, 2005 of Government of India.
- Trusts/Societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts/Societies and who are authorized under their constitution to hold and invest in equity shares;
- Eligible Non-residents including NRIs and FIIs on a repatriation basis or a non- repatriation basis subject to applicable local laws; and
- Scientific and/or industrial research organizations authorized under their constitution to invest in equity shares.
- Any other QIBs permitted to invest, subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Offer;
- Eligible employees

As per existing regulations, OCBs are prohibited from investing in this Issue.

Note: The BRLMs and Syndicate Members shall be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations if any. However, associates and affiliates of BRLMs and Syndicate Member may subscribe for equity shares in the issue, including the QIBs and Non-Institutional portion where the allocation is on proportionate basis.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Bids by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in 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. These limits would have to be adhered to by the mutual funds for investment in the Equity Shares.

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 for which the Bid has been made.

Bids by Eligible NRIs

NRI Bidders to comply with the following:

1. Individual NRI Bidders can obtain the Bid cum Application Forms from our Registered Office, members of the Syndicate or the Registrar to the Issue.
2. NRI Bidders may please note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for allotment. NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for resident Indians (White in color). 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:

No single FII can hold more than 10% of our post-issue paid-up capital (i.e., 10% of [•] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. Under the current foreign investment policy applicable to us foreign equity participation up to 100% is permissible under the automatic route.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended, an FII or its sub account may issue, deal or hold, off shore derivative instruments such as Participatory Notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of “know your client” requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity

P-Notes have not been and are not being offered or sold pursuant to this RHP. This RHP does not contain any information concerning P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

The SEBI, through its Press Release (PR No. 286/2007) dated October 25, 2007 has decided that with respect to P-Notes.

- FIIs and their sub-accounts shall not issue/renew offshore derivative instruments with underlying securities as derivatives with immediate effect. They are required to wind up the current position over 18 months, during which period SEBI will review the position from time to time.
- Further issuance of offshore derivative instruments by the sub-accounts of FIIs will be discontinued with immediate effect. They will be required to wind up the current position over 18 months, during which period SEBI will review the position from time to time.
- The FIIs who are currently issuing offshore derivative instruments with notional value of P-Notes outstanding (excluding derivatives) as a percentage of their assets under custody in India of less than 40% shall be allowed to issue further offshore derivative instruments only at the incremental rate of 5% of their assets under custody in India.
- Those FIIs with notional value of Participatory Notes outstanding (excluding derivatives) as a percentage of their AUC in India of more than 40% shall issue Participatory Notes only against cancellation / redemption / closing out of the existing Participatory Notes of at least equivalent amount.

Any P-Notes that may be issued are not the securities of the Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to the PNotes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company does not make any recommendation as to any investment in PNotes and does not accept any responsibility whatsoever in connection with the P-Notes. Any P-Notes that may be issued are not securities of the BRLM and do not constitute any obligations or claims on the BRLM.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

**Bids by SEBI registered VCF and FVCI:**

As per the current regulations, the following restrictions are applicable for investments by SEBI registered VCFs and FVCIs:

The SEBI (Venture Capital) Regulations, 1996, and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, the investment by any VCF or FVCI should not exceed the prescribed investment limit as the case may be.

The SEBI has issued a press release on 26 June, 2006 stating that the shareholding of SEBI registered Venture

Capital Funds and Foreign Venture Capital Investors held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the RHP with the SEBI.

It is to be distinctly understood that there is no reservation for Non Residents, NRIs, FIIs and Foreign Venture Capital Funds and all Non Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids by non-residents including NRIs, FIIs and Foreign Venture capital Funds registered with SEBI on a repatriation basis.

Bids and Revision to Bids must be made:

- On the prescribed Bid cum Application Form or Revision Form, as applicable (blue in colour) and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
- In a single name or joint names (not more than three)
- NRIs for a Bid Amount of up to Rs. 1,00,000 would be considered under the Retail Bidders portion for the purposes of allocation and Bids for a Bid amount of more than Rs. 1,00,000 would be considered under the Non-Institutional Bidders portion for the purposes of allocation; by FIIs or Foreign Venture Capital Fund and Bilateral Development Financial Institution for a minimum of such number of Equity Shares and in multiples of [●] thereafter that the Bid Amount exceeds Rs. 1,00,000; for further details see “Maximum and Minimum Bid Size” at page no.300 of this RHP.
- In the names of individuals, or in the names of FIIs or in the names of Foreign Venture Capital Funds, Multilateral and Bilateral Development Financial Institutions but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.
- 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 U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid-cum-Application Form. The Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by ASBA Investor

For ASBA Process, please refer section “ASBA Process” on page no. 317 of this RHP

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modifications or changes in the applicable laws or regulations, which may occur after the date of this RHP. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations.

**Maximum and Minimum Bid size**

For Retail Bidders: The Bid must be for minimum [●] number of Equity Shares and in multiples of [●] Equity Shares thereafter subject to maximum bid amount of Rs. 1,00,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 1,00,000. In case the Bid Amount is over Rs. 1,00,000 due to revision or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allotment under the Non-Institutional Bidders category. 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.

For Others (Non-Institutional Bidders and QIBs) Bidders: The Bid must be for a minimum of such number of Equity Shares in multiples of [●] such that the Bid Amount payable by the Bidder exceeds Rs. 1,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the net Issue to the public. However, the maximum Bid by a QIB should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date.

In case of revision in Bids, the Non-Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than Rs. 1,00,000, for being considered for allocation in the Non Institutional Portion. In case the Bid Amount reduces to Rs. 1,00,000 or less due to a revision in Bids or revision of Price Band, the same would be considered for allocation under the Retail Portion. Non Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this RHP.

Information for the Bidders

- The Company will file the RHP with the RoC at least 3 (three) days before the Bid/Issue Opening Date.
- The Price Band shall be advertised at least one day prior to the Bid Opening Date/Issue Opening Date. With regard to the Price Band, the Bidders can be guided by the secondary market prices of the Equity Shares.
- The members of the Syndicate will circulate copies of the RHP along with the Bid-cum-Application Form to their potential investors.
- Any investor (who is eligible to invest in the Equity Shares) desirous of obtaining a copy of this RHP along with the Bid-cum- Application Form can obtain the same from the registered office of the Company or from the BRLM, or from a member of the Syndicate.
- The Bids should be compulsorily submitted on the prescribed Bid-cum-Application Form only. Bid-cum-Application Forms should bear the stamp of a member of the Syndicate. The Bid-cum-Application Forms, which do not bear the stamp of a member of the Syndicate, will be rejected.

Method and Process of bidding

- We, with the BRLM shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the RHP filed with RoC and publish the same and the Price Band in two national newspapers (one each in English and Hindi) and a regional newspaper (Hindi) and on websites of BRLM and Company as appearing on the cover page. This advertisement, subject to the provisions of Section 66 of the Companies Act and shall be in the format prescribed in Schedule XIII of SEBI (ICDR) Regulations 2009. The BRLMs and the members of the Syndicate shall accept Bids from the Bidders during the Issue Period.
- Investors who are interested in subscribing for our Equity Shares should approach any of the members of the Syndicate or their authorized agent(s) to register their Bid.
- The Bidding Period shall be a minimum of 3 working (three) days and not exceed 7 working days. In case the Price Band is revised, the revised Price Band and the Bidding Period will be informed to the Stock Exchanges and published in two national newspapers (one each in English and Hindi) and one regional newspaper and on websites of BRLM and Company, as appearing on the cover page and the Bidding Period may be extended, if required, by an additional 3 (three) days, subject to the total Bidding Period not exceeding ten working days.
- During the Bidding Period, the Bidders may approach the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients/investors who place orders through them and shall have the right to vet the Bids.



5. Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details refer to the paragraph entitled “Bids at Different Price Levels” on page 301 of this RHP) within the Price Band and specify the demand (i.e., the number of Equity Shares bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.
6. 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 bidding 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 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 Section ‘Issue procedure’ beginning on page no 296 of this RHP.
7. The members of the Syndicate will enter each 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.
8. Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the ‘Issue procedure beginning” on page 296 of the RHP.

Bids at Different Price Levels

1. The Price Band shall be advertised at least one day prior to the Bid Opening Date/ Issue Opening Date in an English language newspaper with wide circulation, a Hindi language newspaper with wide circulation and a Marathi newspaper with wide circulation and also on the websites of the BRLM and the Company, as appearing on the cover page. Bidders are advised to be guided by the price of our listed Equity Shares in the secondary market for the purposes of making a decision to invest in the Equity Shares offered as part of this Issue. The Bidders can bid at any price within the Price Band, in multiples of [●] shares
2. In accordance with SEBI Regulations, our company, in consultation with the BRLM, can revise the Price Band during the Bidding Period, in which case the Bidding Period shall be extended further for a period of three additional days, subject to the total Bidding Period not exceeding ten working days. The cap on the Price Band should not be more than 20% of the Floor of the Price-band. Subject to compliance with the immediately preceding sentence, the floor of Price Band can move up or down to the extent of 20% of the Floor Price disclosed in this RHP.
3. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by informing the stock exchanges, by issuing a public notice in two national newspapers (one each in English and Hindi), and one regional newspaper (Marathi) and also indicating the change on the relevant websites of the BRLM, Company and the terminals of the members of the Syndicate.
4. We, in consultation with the BRLM, can finalise the Offer Price within the Price Band without the prior approval of, or intimation to, the Bidders.
5. 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”. However, bidding at “Cut-off” is prohibited for QIB or Non Institutional Bidders and such Bids from QIBs and Non Institutional Bidders shall be rejected.**
6. Retail Individual Bidders who bid at the Cut-off agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-off shall deposit the Bid Amount based on the Cap Price in the Escrow Account. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders (i.e. the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), Retail Individual Bidders, who bid at Cut off Price, shall receive the refund of the excess amounts from the Escrow Account.
7. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders, who had bid at Cut-off could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 1,00,000 of the bidder wants to continue to bid at Cut-off Price), with the member 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, the Bid will be considered for allocation under the Non-Institutional category in terms of this RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares bid for shall be adjusted downward for the purpose of allocation, such that no additional



payment would be required from the Bidder and the Bidders shall be deemed to have approved such revised Bid at Cut-off Price.

8. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have bid at Cut-off could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account.
9. In the event of any revision in the Price Band, whether upwards or downwards, the Minimum Application Size shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such Minimum Application is not in the range of Rs. 5,000 to Rs. 7,000. The Company in consultation with the BRLM shall accordingly stipulate the minimum application size (in terms of number of shares) falling within the aforesaid range.
10. Revision option is not available for ASBA applicant. Please refer section "ASBA Process" on page no. 317 of this RHP.

Application in the Issue

Equity Shares being issued through this RHP can be applied for in the dematerialized form only.

Escrow Mechanism

1. The Company and members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the bid. Cheques or demand drafts received for the full Bid amount from Bidders in a certain category would be deposited in the Escrow Account for the Issue. The Escrow Collection Banks will act in terms of the RHP and an Escrow Agreement. The monies in the Escrow Account of the Company shall be maintained by the Escrow Collection Bank(s) for and on behalf of the Bidders. 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 Banks shall transfer the monies from the Escrow Account to the Public Issue Account with the Bankers to the Issue as per the terms of the Escrow Agreement with the Company. Payment of refund to the Bidders shall also be made from the Escrow Agreement and this RHP.

2. The Bidders may note that the Escrow Mechanism is not prescribed by SEBI and the same has been established as an arrangement between the Company, the Syndicate, Escrow Collection Bank(s) and the Registrars to the Issue to facilitate collections from the Bidders.

For ASBA Process, please refer section "ASBA Process" on page no. 317 of this RHP

Terms of Payment and Payment into the Escrow Collection Account

Each Bidder, who is required to pay Margin Amount greater than 10%, shall, with the submission of the Bid-cum-Application Form draw a cheque, demand draft for the maximum amount of his/ her Bid in favour of the Escrow Account of the Escrow Collection Bank(s) (for details refer to the paragraph "Payment Instructions" on page no. 310 of this RHP) and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid-cum-Application Forms accompanied by cash shall not be accepted. The maximum bid price has to be paid at the time of submission of the Bid-cum-Application Form based on the highest bidding option of the Bidder.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders till such time as the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds whose bids have been accepted from the Escrow Account, 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, lying credited with Escrow Collection Banks shall be held for the benefit of the Bidders who are entitled to refunds. On the Designated Date, and no later than 15 days from the Bid / Issue Closing Date, the Escrow Collection Bank(s) shall refund all amount payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for allocation to the Bidders.

Each category of Bidders (i.e. QIBs, Non Institutional Bidders, 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 Money payable by each category of Bidders is mentioned under the heading "Issue Procedure" on page 296 of this RHP. 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 allocated 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 which shall be a minimum period of two (2) days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs.

If the payment is not made favoring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the members of the Syndicate do not waive such payment, the full amount of payment has to be made at the time of submission of the Bid Form.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had applied for, the excess amount paid on bidding, if any, after adjustment for allocation, will be refunded to such Bidder within 15 days from the Bid Closing Date/Issue Closing Date, failing which the Company shall pay interest @15% per annum for any delay beyond the periods mentioned above.

For ASBA Process, please refer section “ASBA Process” on page no 317 of this RHP.

Electronic Registration of Bids

- (a) The members of the Syndicate will register the Bids using the on-line facilities of BSE/NSE. There will be on-line connectivity to each city where a Stock Exchange is located in India and the Bids are accepted.
- (b) BSE/NSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents during the Bidding Period. Members of the Syndicate can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently download the off-line data file into the on-line facilities for book building on an half hourly basis. On the Bid Closing Date, the Syndicate Member shall upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) The aggregate demand and price for bids registered on the electronic facilities of BSE/NSE will be downloaded on a half hourly basis, consolidated and displayed on-line at all bidding centers. A graphical representation of consolidated demand and price would be made available at the bidding centers during the bidding period.
- (d) 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 (Investors 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, investors 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, NRI, FII, or Mutual Fund, etc.
 - Numbers of Equity Shares bid for.
 - Bid price.
 - Bid-cum-Application Form number.
 - Whether Margin Amount is made upon submission of Bid-cum-Application Form.
 - Depository Participant Identification No. and Client Identification No. of the Demat Account of the Bidder.
- (e) 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 members of the Syndicate does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate or the Company.
- (f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (g) The BRLM/ member of the Syndicate also have the right to accept the Bid or reject it without assigning any reason, in case of QIBs. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed on page no. 312 in this RHP.
- (h) It is to be distinctly understood that the permission given by BSE/NSE to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company or BRLM are cleared or approved by BSE/NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company, its Promoters, its



management or any scheme or project of the Company.

- (i) It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed that this RHP has been cleared or approved by BSE nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this RHP; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE.
- (j) For ASBA Process, please refer section “ASBA Process” on page no. 317 of this RHP.

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 BSE mainframe on a regular basis.
- (b) The book gets build 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 numbers of Equity Shares and the bid price 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 changed, in the Revision Form unchanged. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.
- (e) 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 RHP.
- (f) Prospectus. In case of QIBs, the members of the Syndicate may at their sole discretion waive the payment requirement at the time of one or more revisions by the QIB Bidders.
- (g) 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 has placed the original Bid. Bidders are advised to retain copies of the blank Revision Forms and the revised Bid must be made only in such Revision Form or copies thereof.
- (h) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**
- (i) In case of discrepancy of data between BSE/NSE and members of the Syndicate, the decision of the BRLM based on the physical records of BSE/NSE shall be final and binding to all concerned.

Price Discovery and Allocation

- (a) After the Bid/Issue Closing Date, the BRLM shall analyze the demand generated at various price levels and discuss pricing strategy with the Company.
- (b) The Company, in consultation with the BRLM shall finalise the “Issue Price”, the number of Equity Shares to be allotted in each investor category.
- (c) The allocation to Non-Institutional Bidders and Retail Individual Bidders would be on proportionate basis, in the



manner specified in the SEBI Regulations, the RHP and Prospectus in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.

- (d) In case of over-subscription in all categories, not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIB Bidders out of which 5% shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% share in the QIB portion will also be eligible for allocation in the remaining QIB portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allotted proportionately to the QIB Bidders in proportion to their bids. Further, atleast 15% of the issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and at least 35% of the issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids received at or above the Issue Price.

Under-subscription, if any, in any category would be allowed to be met with spill over from any of the other categories at the discretion of the Company, in consultation with the BRLMs.

- (e) QIB Bidders will be required to deposit the QIB Margin Amount at the time of submitting of their Bids. After the closure of bidding, the level of subscription in the various categories shall be determined. Based on the level of subscription, additional margin money, if any, shall be called for from the QIB Bidders. The QIB Bidders shall pay such additional margin money within a period of two days from the date of the letter communicating the request for such additional margin money.
- (f) Allocation to NRIs, FIIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions registered with SEBI applying on repatriation basis will be subject to the applicable laws, rules, regulations, guidelines and approvals.
- (g) The BRLMs, in consultation with the Company shall notify the Syndicate Members of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- (h) The Company reserves the right to cancel the Issue any time after the Bid/Issue Opening Date without assigning reasons whatsoever but before allotment. In terms of SEBI (ICDR) Regulations, QIB bidders shall not be allowed to withdraw their bid after the bid / issue closing date.
- (i) Our Company in consultation with the BRLMs, reserves the right to reject any Bid procured from QIB Bidders, by any or all members of the Syndicate. Rejection of Bids made by QIBs, if any, will be made at the time of submission of Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing.
- (j) The allotment details shall be put on the website of the Registrar to the Issue.

Notice to QIBs: Allotment Reconciliation

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. Based on the electronic book, 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. Subject to SEBI 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.



Issuance of Confirmation of Allocation Note

- a. Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLMs or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders. However, the investor should note that the 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 Members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed to be a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder. Those Bidders who have not paid the full Bid Amount into the Escrow Account on or prior to the time of bidding shall pay in full amount into the Escrow Account on or prior to the Pay-in Date specified in the CAN.
- c. Bidders who have been allocated Equity Shares and who have already paid the full Bid Amount into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrars to the Issue subject, however, to realization of their cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed to be a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for allotment to such Bidder.
- d. The Issuance of CAN is subject to “Notice to QIBs: Allotment Reconciliation” as set forth under the chapter “Issue Procedure” of this RHP.

Signing of Underwriting Agreement and ROC Filing

- a. The Company, the BRLM, and the Syndicate Members shall enter into an Underwriting Agreement on finalisation of the Issue Price and allocation(s) to the Bidders.
- b. After signing the Underwriting Agreement, the company will update and file the updated RHP with RoC, which then would be termed ‘Prospectus’. The Prospectus would have details of the Issue Price, Issue Size, underwriting arrangements and would be complete in all material respects.

Filing of the RHP and Prospectus with ROC

The Company will file a copy of the RHP and Prospectus with the Registrar of Companies, Mumbai, situated at The Registrar of Companies, Maharashtra, 100, Everest, Marine Lines, Mumbai-400002 in terms of Section 56, Section 60 and Section 60B of the Companies Act, 1956.

Announcement of Pre-Issue Advertisement

Subject to section 66 of the Companies Act, the Company shall after receiving final observation, if any, on this RHP from SEBI, publish an advertisement, in the form prescribed by the SEBI Regulations in two widely circulated newspapers (one each in English, Hindi and Marathi).

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by the Company after the filing of the Prospectus with the RoC. This advertisement in addition to the information that has to be set out in the statutory advertisement shall indicate the Issue Price along with a table showing the number of Equity Shares to be issued. Any material updates between the date of the RHP and the date of the Prospectus will be included in such statutory advertisement.

Designated Date and Allotment of Equity Shares

1. The 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 to the Public Issue Account on the Designated Date, the Company would allot the Equity Shares to the allottees. The Company would ensure the credit to the successful



Bidders depository account. Allotment of the Equity Shares to the allottees shall be completed within two working days of the date of finalization of the basis of allotment. In case, the Company fails to make allotment or transfer within 15 days of the Bid/Issue Closing Date, interest would be paid to the investors at the rate of 15% per annum.

2. **In accordance with the SEBI (ICDR) Regulations, Equity Shares will be issued 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.
3. After the funds are transferred from the Escrow Accounts to the Public Issue Account on the Designated Date, our Company will allot the Equity Shares to the Allottees.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated to them pursuant to this Issue.

General Instructions:

Do's:

- a) Check if you are eligible to apply having regard to applicable laws, rules, regulations, guidelines and approvals and the terms of this RHP;
- b) 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)
- c) Ensure that the details about Depository Participant and Beneficiary Account are correct, as Allotment of Equity Shares will be in the dematerialized form only. Ensure that the Bids are submitted at the Bidding Centers only on forms bearing stamp of the Syndicate Member;
- d) 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.
- e) Ensure that you have been given a TRS for all your Bid options;
- f) Submit Revised Bids to the same Syndicate Member through whom the original Bid was placed and obtain a revised TRS;
- g) Ensure that the Bid is within the Price Band.
- h) **Each of Bidders should hold valid Permanent Account Number (PAN) allotted under the I.T. Act and mention his/her Permanent Account Number in the application form while bidding for the same. It is to be specifically noted that the bidders should not submitted GIR No. instead of PAN as the bid is liable to be rejected on this ground.**
- i) Ensure that demographic details (as defined herein below) are updated true and correct in all respects.

Don'ts:

- (a) Do not Bid if you are prohibited from doing so under the law of your local jurisdiction;
- (b) Do not Bid for lower than minimum Bid size;
- (c) Do not Bid or revise the Bid to less than the lower end of the Price Band or higher than the higher end of the Price Band;
- (d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;
- (e) Do not pay Bid amount in cash;
- (f) Do not Bid at cut off price (for QIB Bidders, Non-Institutional Bidders for whom the Bid Amount exceeds Rs. 100,000);
- (g) Do not fill up the Bid cum Application Form for an amount that exceeds the investment limit or maximum number of Equity Shares that can be held by a Bidder under the applicable laws / regulations.
- (h) Do not send Bid cum Application Form by post; instead submit the same to a member of the Syndicate only.
- (i) Do not submit bid accompanying with Stock Invest.
- (j) Do not provide your GIR number instead of your PAN as bid is liable to be rejected on those ground.
- (k) Do not submit the Bid without the QIB Margin Amount, in case of a Bid by QIB.
- (l) Do not revise the bid, in case of bids by an ASBA investor.
- (m) Do not bid through a syndicate member, if you are an ASBA investor, and have already submitted your bid through the designated SCSB. Such bids shall be considered as multiple bids and both the applications are liable to be rejected.

Instructions for completing the Bid cum Application Form

Bidders can obtain Bid cum Application Forms and/or revision Forms from the members of Syndicate

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 for Resident Indians, blue colour for NRI or FII or foreign venture capital fund registered with SEBI applying on repatriation basis.
- (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) The Bids from the Retail Individual Bidders must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum of Rs. 1,00,000.
- (d) For non institutional and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid amount exceeds Rs. 1,00,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the size of the Issue. Bidders are advised to ensure that a single bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws or regulations.
- (e) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- (f) 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.

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 Bidders bank account details. These bank account details would be printed on the refund order, if any, to be sent to Bidders or used for sending the refund through Direct Credit to or ECS. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs nor the Company shall have any responsibility and undertake any liability for the same.

Bidder's Depository Account Details

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN THE DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT'S IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID-CUM-APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID-CUM-APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

Bidders 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 demographic details of the Bidders such as address, bank account details for printing on refund orders or giving credit through ECS or Direct Credit and occupation (hereinafter referred to as Demographic Details). Hence, Bidders should carefully fill in their Depository Account details 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 and the Demographic Details given by Bidders in the Bid-cum-Application Form would not be used for these purposes by the Registrar.

Hence, Bidders are advised to update their Demographic Details as provided to their Depository Participants and ensure that they are true and correct.

By signing the Bid-cum-Application Form, Bidder would have deemed to authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic details as available on its records.

Refund Orders/ Allocation Advice/ CANs would be mailed at the 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 Bidders in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk. Please note that any such delay shall be at the Bidders sole risk and neither the Company, Escrow Collection Bank(s) nor the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories 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 identity, then such Bids are liable to be rejected.

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 and Article of Association and/or Bye Laws must be lodged along with the Bid cum Application Form. Failing this, the 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, 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 submitted with the Bid-cum-Application Form. Failing this, the 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 Insurance Regulatory and Development Authority, a certified copy of the certificate of registration issued by Insurance Regulatory and Development Authority must be submitted with the Bid-cum-Application Form. Failing this, the 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 fund with the minimum corpus of Rs. 2500 lakhs and pension fund with the minimum corpus of Rs. 2500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged with the Bid-cum-Application Form. Failing this, the 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 Mutual Fund registered with SEBI, venture capital fund registered with SEBI and foreign venture capital investor registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

The 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 as the Company and the BRLMs may deem fit.

Payment Instructions

The Company shall open an Escrow Account of the Company with the Escrow Collection Banks for the collection of the Bid Amounts payable upon submission of the Bid cum Application Form. The BRLMs and Syndicate Member(s) shall also open Escrow Accounts of the Syndicate with one or more of the Escrow Collection Banks for the collection of the margin amounts payable upon submission of the Bid-cum-Application Form and for amounts payable pursuant to allocation in the Issue.

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation as per the following terms:

Payment into Escrow Account to the Issue

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 of the Company and submit the same to the member of the Syndicate.
2. *In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account of the Company within the period specified in the CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs.*
3. The payment instruments for payment into the Escrow Account of the Company should be drawn in favour of:
 - (i) In case of Resident Retail and Non-Institutional Bidders: "Escrow Account – BSEL Public Issue - R"
 - (ii) In case of Non-resident Retail and Non-Institutional Bidders: "Escrow Account – BSEL Public Issue - NR"
 - (iii) In case of Resident QIB Bidders: "Escrow Account - BSEL Public Issue - QIB- R"
 - (iv) In case of Non Resident QIB Bidders: "Escrow Account - BSEL Public Issue – QIB - NR"
4. In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in 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 a Non-Resident Ordinary Account of a Non-Resident bidder bidding on a repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR Account.
5. In case of Bids by FIIs, FVCIs registered with SEBI the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
6. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account of the Company.
7. The monies deposited in the Escrow Account of the Company will be held 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 of the Company 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 to the Bidders.
10. Payments should be made by cheque, or demand drafts drawn on any Bank (including a Co-operative Bank), which is



situated at, and is a member of or sub-member of the bankers' clearing house located at the center where the Bid cum Application Form is submitted. Outstation cheque/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. For ASBA Process, please refer section "ASBA Process" on page no. 317

Payment by Stockinvest

In terms of Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-2004 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. Hence, payment through stock invest will not be accepted.

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 submitting the Bid-cum-Application Form. The Members of the Syndicate may at their discretion waive the requirement of payment at the time of submission of the Bid cum Application Form and Revision Form.

No separate receipts shall be issued for the money payable on 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

Individuals may make bid in single or joint names (not more than three). In the case of joint Bids, all refunds will be made out in favour of the Bidder whose name appears first in the Bid-cum-Application Form or Revision Form ("First Bidder"). 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 this regard, illustrations of certain procedures which may be followed by the Registrar to the Issue to detect multiple applications are provided below:

1. All applications with the same name and age will be accumulated and taken to a separate process file as probable multiple master.
2. In this master, a check will be carried out for the same PAN / GIR numbers. In cases where the PAN/GIR numbers are different, the same will be deleted from this master.
3. Then the addresses of all these applications from the address master will be strung. 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.
4. The applications will be scanned for similar DP ID and Client ID numbers. In case applications bear the same numbers, these will be treated as multiple applications.
5. After consolidation of all the masters as described above, a print out of the same 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.



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.

The Company reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number (PAN)

The Bidders or in the case of Bids made in joint names, each of the Bidder, should mention his or her Permanent Account Number (PAN) allotted under the I.T. Act. In accordance with the SEBI Guidelines, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.**

Unique Identification Number – UIN

SEBI, has with effect from July 2, 2007 directed that PAN shall be the sole identification for participants transacting in the securities market, irrespective of the amount of transaction. Thus the use of UIN has been discontinued.

Our Right to Reject Bids

The Company and the BRLM reserve the right to reject any Bid without assigning any reason therefore in case of QIBs. In case of Non-Institutional Bidders and Retail Individual Bidders, the Company would have a right to reject bids based on technical grounds. Consequent refunds shall be made by cheque or pay order or draft and will be sent to the bidder's address at the Bidder's risk.

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 doesn't 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, the shares may be registered in the name of individual partners and no firm as such shall be entitled to apply.
4. Bids by Persons not competent to contract under the Indian Contract Act, 1872, including minors, insane Persons;
5. Bids for lower number of Equity Shares than specified for that category of investors;
6. Bids at a price less than the lower end of the Price Band;
7. Bids at a price more than the higher end of the Price Band;
8. Bids at cut-off price by Non-Institutional and QIB Bidders;
9. Bids for number of Equity Shares, which are not in multiples of [●];
10. Category not ticked;
11. Multiple bids as defined in this RHP;
12. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
13. Bids accompanied by Stock invest/money order/ postal order/ cash;
14. Bids not duly signed by the sole/joint Bidders;
15. Bid-cum-Application Form does not have the stamp of the Syndicate Member;
16. Bid-cum-Application Form does not have Bidder's depository account details;
17. Bid-cum-Application Forms are not submitted by the Bidders within the time prescribed as per the Bid-cum-Application Form, Bid/Issue Opening Date advertisement and this RHP and as per the instructions in this RHP and the Bid-cum-Application Form; or
18. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations see the details regarding the same at [●] of this RHP.
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 identity;



20. Bids by OCBs;
21. Bids by US persons other than “Qualified Institutional Buyers” as defined in Rule 144A of the Securities Act or other than in reliance Regulation S under the Securities Act; and
22. Bids by NRIs not disclosing their residential status;
23. If GIR number is mentioned instead of PAN number.
24. Bids through ASBA Process by QIB Bidders

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialised form, (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two tripartite agreements have been signed among our Company, the Depositories and the Registrar,

1. An Agreement dated December 29, 2001 among NSDL, our Company and Bigshare Services Pvt Ltd and
2. An Agreement dated December 12, 2001 among CDSL, our Company and Bigshare Services Pvt Ltd

All Bidders can seek allotment only in Dematerialized mode. Bids from any Bidder without the following details of his or her depository account are liable to be rejected:

1. A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of NSDL or CDSL prior to making the Bid.
2. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's Identification number) appearing in the Bid cum Application Form or Revision Form.
3. Equity Shares allotted to a Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
4. Names in the Bid-cum-Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the depository account of the Bidder(s).
5. Non Transferable allotment advice or refund orders will be directly sent to the Bidders by the registrar to the Issue.
6. 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.
7. 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.
8. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL or CDSL. All the stock exchanges where Equity Shares are proposed to be listed are connected to NSDL and CDSL.
9. The trading of Equity Shares of the Company would only be in dematerialized form for all investors in the demat segment of the respective Stock exchanges.
10. Investors are advised to instruct their DP to accept the Equity Shares that may be allocated to them, pursuant to the issue.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, details of Depository Participant, 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.

Pre-Issue and Post Issue Related Problems

We have appointed Ms. Jigna Parikh as the Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue-related problems. She can be contacted at the following address:



Birla Shloka Edutech Limited,
1st Floor, Dalamal House,
Nariman Point, Mumbai – 400 021.
Tel: +91-22-2204 5098
Fax: +91-22-2204 7835
Email: complianceofficer@birlashloka.com

Procedure and Time Schedule for Transfer of Equity Shares

The Issue will be conducted through a “100% book building process” pursuant to which the Underwriters will accept bids for the Equity Shares during the Bidding Period. The Bidding Period will commence on January 11, 2010 and closes on January 13, 2010. Following the expiration of the Bidding Period, our Company, in consultation with the BRLMs, will determine the issue price, and, in consultation with the BRLMs, the basis of allotment and entitlement to allotment based on the bids received and subject to the confirmation by the BSE. Successful bidders will be provided with a confirmation of their allocation and will be required to pay any unpaid amount for the Equity Shares within a prescribed time. The Prospectus will be filed with SEBI and the Registrar of Companies and will be made available to investors. SEBI Guidelines require our Company to complete the allotment to successful bidders within 15 days of the expiration of the Bidding Period. The Equity Shares will then be credited and allotted to the investors’ demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

“Any person who:

- a. makes in a fictitious name, an application to a Company for acquiring or subscribing for, any shares therein, or
- b. otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”

Basis of Allocation

1. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to all the successful Retail individual Bidders will be made at the Issue Price.
- The Net Issue size less allocation to Non-Institutional Bidders and QIBs shall be available for allocation to Retail Individual Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares aggregating to Rs 1042.125 lakhs at or above the Issue Price, full allocation shall be made to the Retail Individual Bidders to the extent of their valid bids.
- If the aggregate demand in this category is greater than [●] Equity Shares aggregating to Rs 1042.125 lakhs at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate basis of allocation, refer below.

2. For Non Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less allocation to QIBs and Retail Portion shall be available for allocation to Non- Institutional Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares aggregating to Rs 446.625 lakhs at or above the Issue Price, full allocation shall be made to Non-Institutional Bidders to the extent of their demand.



- In case the aggregate demand in this category is greater than [●] Equity Shares aggregating to Rs 446.625 lakhs at or above the Issue Price; allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate basis of allotment refer below.

3. For QIB Bidders

- 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 allocation to all the QIBs will be made at the issue price.
 - The Issue size less allocation to Non-Institutional portion and Retail Portion shall be available for allocation to QIB Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.
 - The allotment shall be undertaken in the following manner –
- a. In the first instance, allocation to mutual funds for upto 5% of the QIB portion shall be determined as follows-
 - i) In the event that bids from mutual funds exceed 5% of the QIB portion, allocation to mutual funds shall be done on a proportionate basis upto 5% of the QIB portion.
 - ii) In the event that the aggregate demand from mutual funds is less than 5% of QIB portion, then all mutual funds shall get full allotment to the extent of valid bids received above the issue price.
 - iii) Equity Shares remaining unsubscribed, if any, not allocated to mutual funds shall be available to all QIB Bidders as set out in as (b) below;
 - b. In the second instance, allocation to all QIBs shall be determined as follows –
 - i) In the event that the over subscription 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 upto 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.

Undersubscription, if any, in any category would be allowed to be met with spillover from any other category at the sole discretion of our company and the BRLM.

Method of Proportionate Basis of Allocation

In the event of the issue being over-subscribed, the Company shall finalise the basis of allotment to Retail Individual Bidders and Non-Institutional Bidders in consultation with the Designated Stock Exchange. The Executive Director or Managing Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrars to the issue shall be responsible for ensuring that the basis of allotment is finalized in a fair and proper manner. Allotment to the Bidders shall be made in the marketable lots on a proportionate basis as explained below.

- a. Bidders will be categorized according to the number of Equity Shares applied for by them.
- b. The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, being 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, being the total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d. If the proportionate allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the market lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. Allotment to all Bidders in such categories would be arrived at after such rounding off.
- e. 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; and
 - Each successful Bidder shall be allotted a minimum of [●] Equity Shares.



- 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 Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

Letters of Allotment or Refund Orders

The Company shall give credit of Equity Shares to the beneficiary account with depository participants within 2 working days of finalisation of the basis of allotment of Equity Shares. Applicants having bank accounts at any of the 15 centres where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through Electronic Credit Service (ECS) only, except where applicant is otherwise disclosed as eligible to get refunds through direct credit or Real Time Gross Settlement (RTGS). In case of other applicants, the Company shall dispatch refund orders, if any, of value upto Rs. 1,500 by “Under Certificate of Posting”, and will dispatch refund orders above Rs. 1,500, if any, by registered post only at the sole or first Bidder’s sole risk within 15 days of the Bid / Issue Closing date and adequate funds for the purpose shall be made available to the Registrars by our Company. Applicants to whom refunds are made through Electronic transfer of funds will be sent a letter through “Under Certificate of Posting” within 15 days of closure of issue, intimating them about the mode of credit of refund, the bank where refunds shall be credited along with the amount and the expected date of electronic credit of refund.

The Company shall ensure dispatch of refund orders / refund advice, if any, by “Under Certificate of Posting” or registered post or speed post or Electronic Clearing Service or Direct Credit or RTGS, as applicable, only at the First Bidder’s sole risk within 15 days of the Bid / Issue Closing Date, and adequate funds for making refunds to unsuccessful applicants as per the mode (s) disclosed shall be made available to the Registrars by the Company.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company undertakes that:

- Allotment shall be made only in dematerialized form within 15 days from the Bid/Issue Closing Date;
- **Dispatch of refund orders:** Refunds will be done within 15 days from the Bid / Issue Closing Date at the sole or First Bidder’s sole risk. The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrars to the Issue; and
- **Interest in case of delay in dispatch of allotment letters / refund orders:** The 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, refund orders have not been dispatched to the applicants or if, in 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 Bid / Issue closing date.

Save and except refunds effected through the electronic mode i.e. ECS, direct credit or RTGS, refunds will be made by cheques, pay-orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received. The Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

The Company will provide adequate funds to the Registrars to the Issue for making refunds to unsuccessful applicants as per the mode disclosed under “mode of making refunds” appearing in ‘ Issue procedure’ beginning ” on page 296 of this RHP.

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 except where the refund or portion thereof is made in electronic manner as described above. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the bidders.

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 BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this RHP. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Form is correctly filled up, as described in this section.

The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the ASBA Form, please refer the above-mentioned SEBI website.

ASBA Process

A Resident Retail Individual Investor, High Networth Individuals, Corporate Investors etc. except Qualified Institutional Buyers shall submit his Bid through an ASBA Form, either in physical or electronic mode, 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 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 blocked amount shall be unblocked on receipt of such information from the BRLM

ASBA Form

ASBA Bidders shall use the ASBA Form bearing the code of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the RHP. 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 form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA 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. The ASBA Bidders can submit only one Bid option in the ASBA form which shall be at Cut-off Price. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA form shall be considered as the Application Form. Upon completing and submitting the ASBA 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 RHP as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

Who can Bid?

In accordance with the SEBI (ICDR) Regulations, Resident Retail Individual Investor, High Networth Individuals, Corporate Investors etc. except Qualified Institutional Buyers can submit their application through 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. The ASBA Bidder should ensure that maximum amount blocked in respect of the ASBA Bidder does not exceed Rs. 1,00,000/-. The ASBA Bidders shall bid only at the Cut-off Price indicating their agreement to Bid and purchase Equity Shares at the final Issue Price as determined at the end of the Book Building Process.



Information for the ASBA Bidders:

- The BRLMs shall ensure that adequate arrangements are made to circulate copies of the RHP and ASBA form to the SCSB's and the SCSB's will then make available such copies to investors applying under the ASBA process. Additionally, the BRLM shall ensure that the SCSB's are provided with soft copies of the abridged prospectus and the ASBA form and that the same are made available on the websites of the SCSB's
- ASBA Bidders, under the ASBA process, who would like to obtain the RHP and/or the ASBA form can obtain the same from the Designated Branches of the SCSB's, or the BRLMs. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA form in electronic form on the websites of the SCSB's.
- The Bids should be submitted on the prescribed ASBA form if applied in physical mode. SCSB's 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.
- ASBA forms should bear the stamp of the Syndicate Member and/or Designated Branch of the SCSB.
- ASBA Bidders shall bid for Equity Shares only at the Cut-off Price, with a single bid option as to the number of Equity Shares.
- ASBA Bidders shall correctly mention the bank account number in the ASBA form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA form to the respective Designated Branch.
- If the ASBA Account holder is different from the ASBA Bidder, the ASBA form should be signed by the account holder as provided in the ASBA form.
- ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA 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 form.
- ASBA Bidders shall not be allowed to revise their Bid and shall not bid under any reserved category.

Method and Process of Bidding

- ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSB's. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSB's 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 SCSB's shall have the right to vet the Bids, subject to the terms of the SEBI (ICDR) Regulations, 2009 and RHP.
- The Designated Branches of the SCSB's shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA form. Such acknowledgment does not in any manner guarantee that the Equity Shares bid for shall be allocated to the ASBA Bidders.
- Each ASBA form will give the ASBA Bidder only one option to bid for the Equity Shares at the Cut-off Price i.e. at the cap price of the Price Band and specify the demand (i.e. the number of Equity Shares bid for) in such option. After determination of the Issue Price, the number of Equity Shares bid for by the ASBA Bidder at the Cut-off Price will be considered for allocation along with the Non-ASBA Retail Bidders who have bid for Equity Shares at or above the Issue Price or at Cut-off Price.



- Upon receipt of the ASBA 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 form, prior to uploading such Bids with the Stock Exchanges.
- If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.
- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA 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.
- An ASBA Bidder cannot bid, either in physical or electronic mode, on another ASBA form or a non-ASBA form after bidding on one ASBA 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 form or a Non-ASBA 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.

ASBA Bidders are cautioned that Bids for Equity Shares made in the Issue through the ASBA form cannot be revised.

Mode of Payment

Upon submission of an ASBA form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch 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 stockinvest, or ASBA form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA 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 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, 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 SCSB's

- In case of ASBA 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 Application Form in the electronic bidding system of the Stock Exchange(s) unless
- it has received the ASBA in a physical or electronic form; and
- it has blocked the application money in the ASBA 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.



- 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.
- The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available on the websites of the Stock Exchanges during the Bidding Period.
- At the time of registering each Bid, the Designated Branches of the SCSB's 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;
 - Number of Equity Shares Bid for;
 - Depository Participant identification No.; and
 - Client identification No. 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 above mentioned details in the electronic bidding system provided by the Stock Exchange(s).
- 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.
- Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- 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, 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.
- The SCSB may reject the ASBA Bid, if the ASBA Account maintained with the SCSB as mentioned in the ASBA 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.
- 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 BSE and the Designated Branches of the SCSBs, the decision of the Registrar, based on the physical records of the ASBA forms shall be final and binding on all concerned.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process and which details are provided to them by the SCSBs with the Retail Individual Investor applied under the non ASBA process to determine the demand generated at different price levels.

**Advertisement regarding Issue Price and Prospectus**

After filing of the Prospectus with the RoC, a statutory advertisement will be issued by our Company in a widely circulated English national newspaper and a Hindi national newspaper of wide circulation and a regional language newspaper with wide circulation at the place where the registered office of the issuer is situated. 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 RHP 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 SCSB's, 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

On the basis of instructions from the Registrar to the Issue, the SCSB's shall transfer the requisite amount against each successful ASBA Bidder to the ASBA Public Issue Account and shall unblock 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. After the funds are transferred from the bank account of the ASBA Bidders to the ASBA Public Issue Account on the Designated Date, to the extent applicable, our Company would ensure the credit of the Allotted Equity Shares to the depository accounts of all successful ASBA Bidders' within two working days from the date of Allotment.

(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 a Resident Retail Individual Investor and eligible to Bid under ASBA process.
- b. Ensure that you use the ASBA form specified for the purposes of ASBA process.
- c. Read all the instructions carefully and complete the ASBA form.
- d. Ensure that your Bid is at the Cut-off Price.
- e. Ensure that you have mentioned only one Bid option with respect to the number of equity shares in the ASBA form
- f. 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.
- g. Ensure that your Bid is submitted at a Designated Branch of an 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 the Company or Registrar or BRLM.

- h. Ensure that the ASBA form is signed by the account holder in case the applicant is not the account holder
- i. Ensure that you have mentioned the correct bank account No. in the ASBA form.
- j. Ensure that you have funds equal to the number of Equity Shares Bid for at Cut-off Price available in ASBA account maintained with the SCSB before submitting the ASBA form to the respective Designated Branch of the SCSB.
- k. Ensure that you have correctly checked the authorisation box in the ASBA 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 form in your ASBA Account maintained with a branch of the concerned SCSB.
- l. Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA form.
- m. Ensure that you have mentioned your Permanent Account Number (**PAN**) allotted under the I.T. Act.
- n. Ensure that the name(s) and PAN given in the ASBA form is exactly the same as the name(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 form.
- o. 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 not a Resident Retail Individual Investor.
- b. Do not submit an ASBA Bid if you are applying under any reserved category.
- c. Do not revise your Bid.
- d. Do not Bid for lower than the minimum Bid size.
- e. Do not Bid on another ASBA or Non-ASBA form after you have submitted
- f. Submit the Bid to a Designated Branch of the SCSB.
- g. Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSB's, shall not be accepted under the ASBA process.
- h. Do not send your physical ASBA form by post; instead submit the same to Designated Branch of the SCSB only.
- i. Do not fill up the ASBA form such that the bid amount against the number of Equity Shares Bid for exceeds Rs. 1,00,000/-.
- j. Do not mention the GIR number instead of the PAN Number.
- k. 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:**

- Made only in the prescribed ASBA form, if submitted in physical mode, or electronic mode.
- In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA form.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject that the Bid Amount does not exceed Rs. 1,00,000/-.
- 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 Bidders 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 PARTICIPANTS NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER AND PAN IN THE ASBA FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME AND PAN GIVEN IN THE ASBA FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE ASBA 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 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 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 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 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 SCSB's, the members of the Syndicate, or the Company 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 matches 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 form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to 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 application money 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 form. Failing this, our Company, in consultation with and 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 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 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 from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account. In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of the 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.

Right to Reject ASBA Bids

The Designated Branches of the SCSB's 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 form does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUND FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

1. In addition to the grounds listed under Grounds for Technical Rejection. on page no 312 of this RHP, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:
2. Amount mentioned in the ASBA form does not tally with the amount payable for the value of Equity Shares Bid for;
3. Bids at a price other than at the Cut-off Price;
4. Bid made by categories of investors other than Resident Retail Individual Investors;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
6. PAN not stated, or GIR number furnished instead of PAN, for further details please refer to Section titled "Issue Procedure" on page no. 296 of the RHP.
7. Bids for number of Equity Shares, which are not in multiples of [•];
8. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;
9. Multiple Bids as defined in this RHP;
10. In case of Bid under power of attorney, relevant documents are not submitted;
11. Signature of sole and/or joint Bidders missing in case of ASBA forms submitted in physical mode;
12. ASBA form does not have the stamp of the SCSB and/or a member of the Syndicate;



13. ASBA form does not have the Bidder's depository account details;
14. ASBA 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 form and the RHP;
15. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA form at the time of blocking such Bid Amount in the ASBA Account;
16. 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), PAN, the DP ID and the beneficiary account number; and
17. If the ASBA Bid in the Issue is revised. 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 form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA form, name and address of the Designated Branch of the SCSB where the ASBA Bid was submitted and bank account number in which the amount equivalent to the Bid amount was blocked. The Registrar to the Issue shall obtain the required information from the SCSB's for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or wilful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of 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 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.

Basis of Allotment

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders. For details, see section **Issue Procedure- Basis of Allotment** on page no 314 of this RHP.

MODE OF MAKING REFUNDS

The payment of refund, if any, would be done through various modes in the following order of preference -

1. **ECS** - Payment of refund would be done through ECS for applicants having an account at any of the following 68 centers –
 Ahmedabad, Bangalore, Bhubneshwar, Kolkatta, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna and Thiruvanthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, Jodhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakhpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by



Oriental Bank of Commerce);Haldia (Non-MICR) (managed by United Bank of India);Vijaywada (managed by State Bank of Hyderabad);and Bhilwara (managed by State Bank of Bikaner and Jaipur).This mode of payment of refunds would be subject to availability of complete bank account details including the MICR Code as appearing on a cheques leaf from the Depositories. The payment of refunds is mandatory through this mode for applicants having a bank account at any of the above-mentioned 68 centers, except where the applicant,being eligible, opts to receive refund through direct credit or RTGS or NEFT. Refunds through ECS may also be done at other locations based on operational efficiency and in terms of demographic details obtained by the Registrar from the Depository participant.

2. **Direct Credit** - Applicants having bank accounts with the Refund Banker, shall be eligible to receive funds through direct credit. Charges, if any, levied by the Refund Banker for the same would be borne by the Company **BIRLA SHLOKA EDUTECH LIMITED**.
3. **RTGS** - Applicants having a bank account at any of the above-mentioned 68 centers and whose refund amount exceeds Rs. Ten lakhs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Bid-cum-Application form. In the event the same is not provided, refund shall be made through ECS.Charges, if any, levied by the refund banks for the same would be borne by the Company. Charges, if any, levied by the applicants' bank receiving the credit would be borne by the applicant.
4. **NEFT** - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the IFSC, which can be linked to a MICR, if any, available to that particular bank branch. IFSC will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC 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 hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.
5. **Refund Orders** - 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 centres will be payable by the Bidders.**

Please note that only applicants having a bank account at any of the 15 centres where clearing houses for ECS are managed by the RBI are eligible to receive refunds through the modes detailed in 1, 2, 3 & 4 hereinabove. For all the other applicants, including applicants who have not updated their bank particulars along with the nine digit MICR code, the refund orders would be dispatched "Under Certificate of Posting" for refund orders of value upto Rs. 1,500 and through Speed Post / Registered Post for refund orders of Rs. 1,500 and above.

UNDERTAKING BY THE COMPANY

Our Company undertake as follows:

- (a) that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- (b) that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchange where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of allotment;
- (c) that the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed under the heading "Mode of Making Refunds" in the section "Issue procedure" on page no. 296 of this RHP shall be made available to the Registrar to the Issue by our Company;
- (d) that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of closure of Issue, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of refund;
- (e) that the refund orders or allotment advice to the Eligible NRIs or FIIs shall be dispatched within specified time;



- (f) 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; and
- (g) that no further Issue of Equity Shares shall be made until the Equity Shares Issued through this RHP are listed or until the Bid Money's are refunded on account of non-listing, under subscription etc.

UTILISATION OF ISSUE PROCEEDS

Our Board of Directors of the Company certifies that:

- All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilized out of the Issue referred above shall be disclosed under an appropriate separate head in its balance sheet indicating the purpose for which such monies have been utilized;
- Details of all unutilized monies out of the Fresh Issue, if any, shall be disclosed under the appropriate separate head in its balance sheet indicating the form in which such unutilised monies have been invested;
- Our Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy of the Government of India, 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. No person shall make a Bid in pursuance of this Issue unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals. Investors making a bid in response to the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLMs, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to subscribed to the Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the BRLMs, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor whether such investor is eligible to subscribe to Equity Shares of our Company.

Subscription by NRIs/FIIs

It is to be distinctly understood that there is no reservation for Non-Residents, NRIs and FIIs and all Non-Resident, NRI and FII applicants will be treated on the same basis as other categories for the purpose of allocation. As per the RBI regulations, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or the requirements of the Investment Company Act.

Accordingly, the Equity Shares are only being offered and sold (i) in the United States to entities that are both "qualified institutional buyers", as defined in Rule 144A of the Securities Act and "qualified purchasers" as defined under the Investment Company Act and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

No single FII can hold more than 10% of the post-Issue paid-up capital of our Company (i.e., 10% of [●] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account



THE YASH BIRLA GROUP



BIRLA SHLOKA EDUTECH LTD

shall not exceed 10% of our total issued capital or 5% of total issued capital of our Company in case such sub account is a foreign corporate or an individual.

The above information is given for the benefit of the Bidders. The Company, the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this RHP. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations. However we shall update this RHP and keep the public informed of any material changes in matters concerning our business and operations till the listing and commencement of trading of the Equity Shares.

SECTION XI - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

A) RIGHTS OF MEMBERS

The Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and our Memorandum and Articles.

B) MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY:

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Amount of Capital	3.	The Authorised Share Capital of the Company is Rs.50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each with power to increase and/or reduce the capital of the company in accordance with the provisions of the Act and to divide the shares in the increased capital into several classes and attach thereto respectively such preferential, qualified or special rights, privileges and conditions in such manner as may be permitted for the time being."
Increase of Capital by the company and how carried into effect	4.	The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares, of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors, and in such determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the company and with a right of voting at general meetings of the company in conformity with Section 87 and 88 of the Act. Whenever the Capital of the Company has been increased under the provisions of his Articles the Directors shall comply with the provisions of Section 97 of the Act.
New Capital same as exiting Capital	5.	Except so far otherwise provided the condition of issue of by these presents, any capital raised by the creation of new share 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.
Redeemable Preference Shares	6.	Subject the provisions of Section 88 of Act, the Company



Provisions applicable on issue of Redeemable Preferences Shares	7.	<p>shall have the power to issue Preferences Shares which are or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manners, terms and conditions of redemption.</p> <p>On the issue of Redeemable Preference Share under the provisions of Article 6 hereof, the following provisions shall take effect:-</p> <ol style="list-style-type: none"> no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the propose of the redemption: no such shares shall be redeemed unless they are fully paid: where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the “Capital Redemption Reserve Account”, a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the shares 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.
Reduction of capital	8.	<p>The company may (subject to the provisions of Sections 73,80,100 to 105 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or share Premium Account in any manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the company would have if it were omitted.</p>
Sub Division consolidation and cancellation of shares	9.	<p>Subject to the provisions of Section94 of the Act the company in General Meeting may from time to time subdivide or consolidate its shares, or any of them, and the resolution whereby any share sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over as compared with the others or other. Subject as aforesaid, the Company in general Meeting may also cancel share 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:	10.	<p>Whenever the Capital is dividend into different classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of Section 106 and 107 of the Act, be modified, commuted affected or abrogated or dealt with by agreement between the company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by</p>

holders of at least three fourths in nominal value of the issued shares General Meeting of the holders of at least three fourths of those shares, and all the provisions hereinafter contained as to general meeting, shall mutatis mutadis apply to every such meeting, person or by proxy and holding three fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if this Article were omitted.

SHARES AND CERTIFICATES

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| Register and Index of Members | 11. | The company shall cause to be kept a Register and Index of Members in accordance with Section 150 and 151 of the Act. The Company shall be entitled to keep in any State of Country outside India a branch Register of members resident in that State of Country. |
| Shares to be numbered progressively and no shares to be subdivided | 12. | The shares in the capital shall be progressively according to their several denominations and except in the manner herein before mentioned, no share be subdivided, every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. |
| Further issue of capital | 13. | <p>a) Where at any time after expiry of two years from the formation of the Company or at any time after the expiry or 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, whether out of unissued share capital or out of increased share capital, them 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 these shares at the date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been decline. 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 the he declines to accept the shares offered. The board may dispose of them of in such manner as they think most beneficial to the company.</p> <p>b. Notwithstanding anything contained in the preceding sub-clause, the Company may:</p> <p>i) by a special resolution ; or</p> <p>ii) where no such special resolution is passed, if the votes, cast (whether or a of hand or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do vote in person, or where proxies are allowed, by proxy, exceed the votes if any, cast against the proposals by members so entitled to Voting and 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> |



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| | | c) Notwithstanding anything contained in sub-clause (a) above, but subject however to Section 81(3) of the Act the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares, or to subscribe for shares in the Company. |
| Shares under control of Directors | 14. | Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such person on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power to give any person the option to call for or be allotted shares of any class of the Company either (subject to provisions of Section 78 and 79 of the Act) at a premium or at par or a discount and for such time and for such consideration as the Directors think fit. The Board of directors shall cause to be made the return as to allotment provided for in Section 75 of the Act. |
| Power also to company in General Meeting issue shares acceptance of shares | 15. | In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 13 and 14, the Company in general Meeting may subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and no such condition and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at and with full power to give any person (whether a member not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares. |
| Acceptance of Shares | 16. | Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every persons who this or otherwise accepts shares and whose name is one the Register shall for the purposes of these Articles, be a member. |
| Deposit and call to be a debt payable immediately | 17. | The money (in any) which the board shall, on the allotment of any share being made by them required or direct to be paid by way of deposit call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to any recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. |
| Liability of Members | 18. | Every member, or his heirs, executors or administrators shall pay to the company the portion of the capital represented by his share or shares which may, from the time being remain |



Shares Certificates	19	<p>unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require of fix for the payment thereof.</p> <p>a) every member of allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issue. The shares to which it relates and the amount paid-up thereon, such certificate shall be issued only in pursuance of a resolution passed by the board and on surrender to the Company of its letter of allotment or its fractional coupons or requisite value save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall be issue under the seal of the company which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or other persons shall sign the share certificate, provided that if the composition of the Board permits is at least one of the aforesaid two Directors shall be a person other than Managing or Whole-time Directors, Particulars of every share Certificate issued shall be entered in the Register of members against the name of the person to whom it has been issued, indicating the date of issue.</p> <p>b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to the person first named as joint ownership, may be delivered to the person first named as joint owner but shall not be bound or it prescribe a charge not exceeding Rupees One. The company shall comply with the provisions of Section 113 of the Act.</p> <p>c) A director may sign a share certificate by affixing his signature there on by means of any machines, equipment or other mechanical means, such as engraving in metal or lithography but not by means of a rubber for the safe custody of such machine, equipment or other material used for the purpose.</p>
Renewal of share certificate	20.	<p>a) No certificate of any shares 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, descript, worn out or where the pages on the reverse for recording transfers have been fully utilised, unless, the certificate in lieu of which it is used is surrendered to the Company.</p> <p>b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect</p>



that it is issued in lieu of Share Certificate no. ____ divided / replaced/on consolidation of shares.

c) If a share certificate is lost or destroyed a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any as to evidence, an indemnity as to payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board think fit.

d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “duplicate issued in lieu of share certificate No.....”. The word “Duplicate” shall be stamped or punched in bold letters across the face of the share certificate.

e) Where a new share certificate has been issued in pursuance of clause (A) or clause(c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and duplicate certificate indicating against the names of the person to whom the certificate issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary charges be indicated in the register of Members by suitable cross reference in the “remarks” column.

f) All blank forms to be issue for issue of share certificate shall be printed and the printing shall be done only by the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the clocks and engravings relating to the printing of such form shall be kept in the custody of the Secretary or of such other person as the Bank may appoint for the purpose, and the Secretary or the other person as aforesaid shall be responsible for rendering as an account of thee forms to the Board.

g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and dividends relating to the issue of share certificate except the blank forms of share certificate referred to in Sub-Article(f).

h) All books referred to in sub-article (g) shall be preserved in good order permanently.

The first named or joint holder deemed sole under.

21.

If any share stands in the name of two or more persons, the person first named in the register shall as regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company, except voting at meetings, and the shares, deemed the sole holder thereof, but the joint liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the Company’s regulations.

Company bound to recognize any interest in share other than

22.

Except as ordered by a Court of competent jurisdiction, or as by law required, the company shall not be bound to



that of registered holder		recognize any equitable contingent, future or partial interest in any share or (except provided) any right in respect of a share other than an absolute rights thereto, in accordance with these Articles, in the person form time to time registered as the holder thereof, but the board shall be at liberty at their sole discretion to register any share inn the joint names of any tow or more persons or the survivor of survivors of them.
Funds of company may not be applied in purchase of shares of the Company	23.	None of the funds of the Company shall be applied for the purchase of any shares of the company, the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act.

DEMATERIALISATION OF SECURITIES

23. (a)For the purposes of this Article, unless the context otherwise requires:

Beneficial owner	“Beneficial owner” means a person whose name is recorded as such a depository;
SEBI Board	“SEBI Board” means the Securities and Exchange Board of India;
Bye-Law	“Bye-laws” means bye-laws made by a depository under Section 26 of the Depositories Act, 1996;
Depositories Act	“Depositories Act” means the Depositories Act, 1996 (22 of 1996) including any statutory modification or re-enactment thereof for the time being in force;
Depository	“Depository” means a company formed and registered under the Companies Act, 1956 (1 of 1956)-and which has been granted a certificate of registration under sub-section (1 A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);
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 regulations made by the SEBI Board;
Regulations	“Regulations” means the regulations made by the SEBI Board;
Security	“Security” means such security as may be specified by the SEBI Board.

(b)Notwithstanding anything contained in these Articles of Association the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996, including any statutory modifications or re-enactment thereof and to offer for subscription in a dematerialised form. The Company shall further be entitled to maintain a Register of members with details of members holding shares both material and dematerialised form(s) in any media as permitted by law including any form electronic media.

(c)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.

(d)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 allottee as the beneficial owner of that security.

(e) 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, 372 and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial-owners.

(f) (i) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(f) (ii) Save as otherwise provided in (i) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it. (f) (iii)

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.

(g) Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

(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 intimations 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 of the transferee as the case may be.

(i) Notwithstanding anything to the contrary contained in the Articles Section 83 of the Act shall not apply to the shares held with a depository. (ii) Section 108 of the Act shall not apply to transfer of security effected by the transfer and the transferee both of whom are entered as beneficial owners in the records of a depository

(j) The Register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act shall be deemed to be an index of Members and Register and index of Debenture holders as the case may be for the purposes of the Act.

UNDERWRITING AND BROKERAGE

Commission may be paid	24.	Subject to the provisions of Section 76 of the Act, the company may at any time pay a 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 the rate which is decided by Govt. of India, Ministry of Finance, from time to time. Such commission may be satisfied by payment of cash or by allotment to fully or partly paid shares or partly in one way and partly in the other.
Brokerage	25.	The company may pay a reasonable sum for brokerage
Interest may be paid	26.	Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any



work or building, or the provision of any plant, which can not be made profitable for a lengthy period, the company may pay interest on so much of that shares capital as for the time being paid, 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 of the building, or the provision of plant.

LIEN

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| Company to have line on shares | 38. | The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with other) and upon the proceeds of sale thereof, for all moneys (whether presently or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing, and upon the condition that Article 22 thereof is to have full effect any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. |
| As to enforcing lien by sale | 39. | For the purpose of enforcing such, lien the Board may sell the shares subject thereto in such manner as they shall think fit and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice. |
| Application of proceeds of sale | 40. | The net proceeds of any such sale shall be received by the company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale. |

FORFEITURE OF SHARES

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| If call or installment not paid
notice may be given | 41. | If any members fail to pay any call or installment of nor before the day appointed for the payment of the same, the Board may at any time thereafter during such member requiring him to pay the same, together with any interest that may have been incurred by the Company by reason of such non-payment. |
| Form of Notice | 42. | The notices shall specify day (not being less than fourteen days from the date of the notice) and place or places on and at which such call or installment and |



		such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place appointed the share in respect of which such call was made or installment is payable will be liable to be forfeited.
If notices not complied with shares may be forfeited	43.	If the requisition of any such notice as aforesaid is not complied with, any shares in respect of which such notice has been given mat, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeiture shall include all dividends declares in respect of forfeited shares and not actually paid before the forfeiture.
Notice of forfeiture to a member	44.	When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited share become property of the company	45.	Any shares so forfeited shall be deemed to the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.
Power to be annual forfeiture	46.	The Board may, at any time before any share so forfeited shall have been sold, re-allotted, or otherwise dispose of; annual the forfeiture thereof upon such condition as it thinks fit.
Liability on forfeiture	47.	A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to the company, all calls, or installments interest and expenses, owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the board may determine, and the board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
Effect of forfeiture	48.	The forfeited of share shall involve extinction, at the time of the forfeiture, of all interest in all claims and demands against the company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved.
Evidence of forfeiture	49.	A duly verified declaration in writing that the declarant is a Director of the Company, and that shares have been duly forfeited of date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shared and such declaration and the receipt of the company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the person to whom any such share is sold shall be registered as the member in respect of



Cancellation of Shares certificate in respect of forfeited shares	50.	<p>such share money shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.</p> <p>Upon any sale, re-allotment or other disposal under the provisions of the preceeding Articles, the Certificate or certificates originally issued in respect of the relative shares shall (under the same shall on demand by the company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or person, entitled thereof.</p>
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TRANSFER AND TRANSMISSION OF SHARES

Register of transfers	51.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and directly entered particulars of every transfer or transmission of any shares.
Instruments of transfer	52.	The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act shall be duly complied with in respect of all transfers of shares and the registration thereof.
To be executed by transferor and transferee	53.	Every such instrument of transfer shall be executed both by the transferor and transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
Transfer books when closed	54.	The Board shall have power on giving seven days, previous notice by advertisement in some newspaper circulating in the district in which the Office of the company is situated and to close the transfer books, the Register of members or Register of Debenture Holders at such time times and for such period or period, not exceeding thirty days at a time and not exceeding the aggregate forty-five days in each year as it may seem expedient.
Directors may refuse to register transfer	55.	Subject to the provisions of Section III of the Act, the board of Directors may at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (notwithstanding the proposed transferee be already a Member), but in such case it shall within one month from the date on which the instrument of transfer was lodged with the company. Send to the transferee and the transferor notice of the refusal to register such transfer, provided 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 lien on shares.



Death of one or more jointholders of shares	56.	In the case of the death of any one or more of the persons named in the Register as the Joint Holders of any share, the survivor or survivors shall be the only persons recognized by the company as having any title to or interest in such share, but nothing herein contained shall be taken to release the state of deceased joint-holder from and liability on shares held by him jointly with any other person.
Title to shares of deceased Member	57.	The executors or administrators or holders of succession certificate or the legal representatives of a deceased member (not being one or two or more joint-holder) shall be the only person recognized by the company as having any title to the shares registered in the name of such member, and the company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representative shall have first obtained Probate or Letters of Administration or Succession Certificate and under Article 60 register the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.
No transfer to infant etc.	58.	No, share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.
Registration of person entitled to shares (The transmission article)	59.	Subject to the provisions of articles 56 and 57, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of Board of Directors (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under this Article or of his title, as the Board of Directors thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder provided nevertheless, that if such person shall elect to have him nominee registered he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provision herein contained and, until he does so, he shall not be freed from any liability, in respect of the shares. This Article is referred to these Articles as the transmission Article.
Person entitled may to receive dividend without being registered as member	60.	A person entitled to a share by transmission shall subject to the right of the Director to retain such dividends or money as hereinafter provided, be entitled to receive and, any may give discharge for any dividends or other moneys payable in respect of the shares.
Transfer to be presented with evidence of title	61.	Every instrument of transfer shall be presented to the company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the



shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the company until destroyed by order of the Board of Directors.		
Conditions of registration of transfer.	62.	Prior to the registration of a transfer, the certificate or certificates of the shares to be transferred must be delivered to the Company along with (same as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.
Fee on transfer or transmission	63.	There shall be paid to the company, in respect of the transfer or transmission of any number of shares to the same party, such fees, if any, as the Directors may require.
Company not liable for disregard of a notice in prohibiting registration of transfer.	64.	The company shall incur no liability or responsibility whatsoever in consequence of its registered or giving effect to any 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 person 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 of notice prohibiting registration of such transfer, and may have entered such notice, or referred there to, in any book of the company, and the company shall not be bound or required to regard or attend or give effect to any notice within may be given to it, of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the company, but the company shall have nevertheless be at liberty to regard and attend to any such notice given effect there to, if the board of Directors shall so think fit.

BORROWING POWERS

Power to Borrow	66.	The Boards may, from time to time at its description subject to the provisions of Section 292 and 370 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the company, provided that the Board shall not without the sanction of the company in general Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say, reserves not set aside for any specific purpose.
Conditions on which money may be borrowed	67.	The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respect as it think fit, and in particulars by the issue of bonds, perpetual or redeemable, debentures or debentures-stock, or any mortgage, or



Issue at discount etc. or with special privilege	68.	other security on the undertaking of the whole or any part of the property of the company (both present and future), including its uncalled capital for the time being. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special appointment of Directors and otherwise debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the company and the person to whom the same may be issue, Debentures, debentures-stock, bonds or other securities with a right or conversion into or allotment of shares shall be issued only with sanction of the Company in General Meeting.
Instrument of Transfer	69.	Save as provided in Section 108 of Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the company together with the certificate or certificates of the debentures.
Notice of the Refusal to register transfer	70.	If the board refuses to register transfer of any debentures the company shall, within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor notice of the refusal.
Register of Mortgage etc. to be kept.	71.	The Board shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the company, and shall cause the requirements of Section 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.
Register and Index to Debentures holders	72.	The company shall, if at any time it issued debentures, keep a register and Index of Debentures holders in accordance with Section 152 of the Act. The company shall have the power to keep in any State or Country outside India a branch of Debenture-holders resident in that State or country.
Shares may be converted into stock Right of Stock holders		

MEETINGS OF MEMBERS

Annual General Meeting, Annual Summary	75.	The company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in the year. All General Meetings other than Annual General Meeting shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the company and the next Annual General Meeting shall be held within six months after the expiry of each financial year, provided that no one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as
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		<p>affecting the right conferred upon the Register under provisions of Section 166(I) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the office of the company or at some other place within the city in which the office of the Company is situated, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the company shall be entitled to attend and to be heard at any General meeting which he attends on any parts of the business, concerns him as auditors. At every Annual General Meeting of the company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the Proxy Register with proxies and the Register open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Register in accordance with Section 159, 161 and 220 of the Act.</p>
Extraordinary General Meeting	76.	<p>The board may, whenever it think fit, call an Extra Ordinary General meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of paid-up capital as at the carries the right to voting in regards to the matter in respect of which the requisition has been made.</p>
Requisition of Members to Object of meeting	77.	<p>Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and the documents be deposited at the office and each signed by one or more requisitionists.</p>
On receipt of requisitions Directors to call meeting and in default requisitionists may do so	78.	<p>Upon the receipt of any such requisitions the boards shall forthwhile call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day on a day not late than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent with a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the company as is referred to in Section 169(4) of the Act, which ever is less, and may themselves call the meeting, but in either case, any meeting so called shall be held within three months from the date of the delivery of the requisitions as aforesaid.</p>
Meeting called by requisitionists	79.	<p>Any meeting called under the forgoing Articles by the requisitions shall be called in the same manner, as nearly as possible as that in which meeting are to be called by the Board.</p>



Twenty-one days Notice of meeting to be given	80.	<p>Twenty-one days notice at least of every General meeting, annual or Extraordinary and by whomsoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company.</p> <p>Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting, with the consent of members holding not less than 95 percent of such part of the paid up share capital of the company as gives a right to vote at the meeting may be conveyed by a shorter notice. In case if any Annual General Meeting, if any business other than (i) the consideration of the Accounts balance sheets and Reports of the Board of directors and Auditors (ii) the declaration of dividend, (iii) the appointment of fixing of the remunerations of the Auditors, is to transacted and in the case of any other meeting, in any event there shall be annexed to the notice of the meeting a statement setting out all materials facts concerning each such item of business including in particular, the nature of concern or interest, if any, therein of every Director, and the Manager (if any) where any such item of special business related to or affects any other company, the extent of shareholding interest in other company of every Director and the Manage, if any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than twenty percent of the paid up share capital of that other company, where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give Notice not to Invalidate a resolution passed	81.	The accident omission to give nay such notice as aforesaid to any of the members, or the non-receipt there or shall not invalidate any resolution passed at any such meeting.
Meeting not to Transact business not mentioned in notice	82.	No general meeting, Annual or Extraordinary, shall be competent to enter, upon discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
Quorum at General Meeting	83	Five members present in person shall be quorum for a General Meeting.
Body Corporate Deemed to be Personally present	84.	A body corporate being a member shall be deemed to personally present if it is represented in accordance with Section 187 of the Act.
If quorum not present meeting to be dissolved or adjourned	85.	If, at the expiration of half an hour from the time appointed for holding a meeting of the company, if quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next or if that day is a public holiday, at the same time and place, or to such



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| | | other day and at such other time and place in the city in which the office of the company as for the time being situate, as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called. |
| Chairman a General Meeting | 86. | The Chairman (if any) of the board shall be entitled to take the chair at every General meeting, whether Annual or Extra Ordinary. If there be no such chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the director present may choose one of their member to be the Chairman of the meetings. If no Director be present or if the entire directors present decline to take the chair, then the Members present shall elect one of their member to be Chairman. |
| Business confined to election of Chairman while chair vacant | 87. | No business shall be discussed at any general meeting except the election of a chairman, while the Chair is Vacant. |
| Chairman with consent may adjourn meeting | 88. | The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business left unfurnished at the Meeting from which the adjournment took place. |
| Question at General Meeting | 89. | At any general meeting, a Resolution put to the vote at the Meeting shall be decided on show of hands unless a poll is (before or on the declaration of the result on a show hands) demanded. <ul style="list-style-type: none"> a) By the Chairman of the Meeting; or b) By the member or members present in person or by proxy and holding shares in the company which confer a power to vote on the resolution being not less than one-tenth of the total voting power in respect of the Resolution; or c) By any Member or Members present in person or by proxy and holding shares in the company on which an aggregate sum of fifty Thousand Rupees has been paid up; or d) By any Member or Members present in person or by proxy and holding shares in the company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which not less than one-tenth of the total sum paid on all the shares conferring that right. |

Unless a poll be so demanded, a declaration by the chairman of the Meeting that a Resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the



book containing the minutes of the proceedings of the meeting of the Company shall be conclusive evidence of the facts without proof of the number of proportion of the votes recorded in favour of or against that resolution.

The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

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| Chairman's casting vote | 90. | In the case an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member. |
| Poll to be taken if Demanded | 91. | If a poll is demanded as aforesaid the same shall, subject to Articles 90 to be taken at such time (no later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. |
| Scrutineers at poll | 92. | Where a poll is to be taken, the Chairman of the meeting shall appoint two Scrutineers to scrutinize the vote given on the poll and to report there on to time. Once the Scrutineers so appointed shall always be a member (not being an officer or employees of the company) present at the meeting provided such a member is available and willing to be appointed. The chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from each removal or from any other cause. |
| In what case poll taken without adjournment | 93. | Any poll duly demanded on the elections of Chairman of meeting or on any question of adjournment shall be taken at the meeting forthwith. |
| Demand for poll not to present transaction of other business | 94. | The demand for a poll except on the question of the election of the chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. |

VOTE OF MEMBER

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| Members in arrears not to vote | 95. | No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of share holders, either upon show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien. |
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Members of vote which member entitled	96.	Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the company every member not disqualified by the last preceding Articles shall be entitled to be present, and to speak and vote at such meeting, and on show of hands, every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid – up equity share capital of the Company provided, however if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of Sub-Section(2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
Casting of votes by a member entitled to more than one vote	97.	On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he used.
How member non-composment and minor may be	98.	A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote whether on show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may on poll vote by proxy if any member be a minor the vote in respect of his share or shares be by his guardian or any one of his guardian if more than one to be selected in case of dispute by the Chairman of the Meeting.
Votes of Joint members	99.	If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint any other person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respects of such shares, but the other or other of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed the joint holders thereof.
Voting in person or by proxy	100.	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 authorized in accordance with section 187 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
Votes in respect of shares of	101.	Any person entitled under Article 59 to transfer any



deceased and insolvent member		share may vote at any General Meeting in respect thereof in the same manner as if he were the registered, holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
Appointment of proxy	102.	Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.
Proxy either for specified meeting or a period	103.	An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
Proxy to vote only on a poll	104.	A member present by proxy shall be entitled to vote only on a poll.
Deposit of instrument of appointment	105.	The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notrially certified copy of that power of authority shall be deposited at the office not less later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument of appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
Form of proxy	106.	Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
Validity of votes gives by proxy notwithstanding death of Member	107.	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 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 of insanity, revocation or transfer shall have been received at the office before the meeting.
Time for objection of votes	108.	No objection shall be made to the validity of any vote except at any meeting or poll at which such vote shall be tendered and very vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.



Chairman of the meeting to by the judge of validity of any vide members.	109.	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 poll.
Minutes of General Meeting and Inspection thereof by	110.	<p>(1) The Company shall cause minutes of all proceeding of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such book shall be initialed or signed and the last page of the record of proceeding of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.</p> <p>(3) In no case the minutes of proceedings of a meeting aforesaid shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>(4) The minutes of each meetings shall contain a fair and correct summary of the proceedings thereat.</p> <p>(5) All appointments of Officers made at any meetings aforesaid shall be included in the minutes of the meetings.</p> <p>(6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>(a) is or could reasonably be regarded as, defamatory of any person, or</p> <p>(b) is irrelevant or immaterial to the proceedings, or</p> <p>(c) is detrimental to the interest of the Company.</p> <p>The Chairman of the Meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minute on the aforesaid grounds.</p> <p>(7) Any such minutes shall be evidence of the proceedings recorded therein.</p> <p>(8) The Book containing that minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in day as the Directors determine, to the inspection of any member without charge.</p>

DIRECTORS

Number of Directors	111.	<p>(1) 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 (excluding Debentures and Alternate Directors, if any) shall not be less than three nor more than twelve.</p> <p>(2) The first Directors of the company shall be....</p> <p>i. Shri Sunil S. Rathi</p> <p>ii. Smt. Shantidevi S. Rathi.</p>
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| Power to appoint ex-office Directors | 112. | <p>If at any time the Company obtain any loans or any assistance in connection there with by, way of guarantee or otherwise from any person, firm, body, corporate, local authority or public body (herein after called “the Institution”) or if at any time the company issues any shares, debentures and enters into any contract or arrangement with the institution where by the institution subscribes for or underwrites the issue of the Company’s Shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint, one or more Directors at the board of the Company, then subject to the provision of Section 225 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement the institution shall be entitled to appoint one or more directors or Directors, as the case may be, to the board of the Company and to remove from office any Director so appointed and to appoint another in his place or in the place of director so appointed who or removal shall be made in writing and shall be served at the office of the company. The Director of Directors so appointed shall neither be required to hold any qualification share nor be liable as the relative loan, assistance, contract or arrangement as the case may be subsists.</p> |
| Debenture Directors | 113. | <p>If it is provided by the Trust deed, securing or otherwise in connection with any issue of debentures of the company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly, any director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture director shall not be appointed in his place. A Debenture Director shall not be appointed in his place. A Debenture Director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualifications shares.</p> |
| Appointment of Alternate Directors | 114. | <p>The Board may appoint an Alternate directors to Act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from the State in which the meetings of the board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if the Original Director is determined before he so returns to that state. If the terms and any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director</p> |



Directors power to add to the Board	115.	in default of another appointment shall apply to the Original Director and not to the Alternate Director. Subject to the provisions of Section 260 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an Additional Director, but so that the total number of director shall not, at any time exceed the maximum fixed under the Article 111. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
Share Qualification	116.	Until otherwise determined by the company in General Meeting, a Director shall not be require to hold any shares in the capital of the company as his qualification.
Directors can act before acquired qualification	117.	Without prejudice to the restrictions imposed by Section 270 of the Act, a Director who is required to hold qualification shares may act as a Director before acquiring such shares but shall, if he is not already qualified, obtain his qualification, and every Director other than a Director appointed by the Central or a State Government shall file with the Company a declaration specifying the qualification shares held by him within two months from his appointment as a Director.
Director's power to fill casual vacancies	118.	Subject to the provisions of Section 262, 264 and 284(6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a causal vacancy. Any person so appointed shall hold office only up to the date to which the Directors in whose place he is appointed would have held office if it has not been vacated by him.
Remuneration of Directors	119.	(1) Subject to the provisions of the Act, a Managing Director or Managing Directors, who is in the whole time employment of the company may be paid remuneration either by way of a monthly or at a specified percentage of the net profits of the Company or partly by one and partly by the other. (2) 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. (i) by way of monthly, quarterly or annual payment with the approval of the Central government or (ii) by way of commission if the Company by a special resolution authorized such payment. (iii) The fee payable to a Director (including a Managing or whole time Director, if any), for attending a meeting of the Board of Committee thereof shall be not more than the amount prescribed by the Act or such other sum as the Company in General Meeting may from time to time determine.
Traveling expenses incurred by Director not a bonafide resident or by Director going out on company's business	120.	The Board may allow and pay to any Director who is not bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation



Directors may act notwithstanding vacancy	121.	<p>for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above, specified; and if any Director be called upon to go or reside out of the ordinary place or his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.</p> <p>The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by the Articles 111 hereof, the Continuing directors not being less than two, may act for the purpose of increasing the number of directors to the number of for summoning a General Meeting but for no other purpose.</p>
Vacation of office of Directors	122	<p>(1) the office of a Director shall ipso facto be vacated if:-</p> <p>(a) he fails to obtain within the time specified in subsection.</p> <p>i) of section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, it any necessary for his appointment: or</p> <p>(b) he is found to be unsound mind by a court of competent jurisdiction; or</p> <p>(c) he applied to be adjudicated an insolvent; or</p> <p>(d) he is adjudged an insolvent; or</p> <p>(e) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months; or</p> <p>(f) he fails to pay any calls in respect of shares of the company held by him, whether along or jointly with others, within six months from the last date fixed for the payment of the call: or</p> <p>(g) he absents from these consecutive meeting of the Board or from all meetings of the board for a continuous period of three months, whichever is the longer, without obtaining leave of absence from board or</p> <p>(h) he or any firm of 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 convention of Section 295 to the Act; or</p> <p>(i) he act in contravention of Section 299 of the Act; or</p> <p>(ii) he be removed from office in pursuance of Section 203 of the Act; or</p> <p>(k) by notice in writing to the company he resigns his office; or</p> <p>(1) any office or place or profit under the company or under any subsidiary of the company is held in contravention of Section 314 of the Act and by operation of that section he is deemed to vacate office.</p> <p>(2) Notwithstanding any matter or thing in sub-clause (d), (e) and (j), of clause (i) the disqualification referred to in those sub-clauses shall not take effect:-</p> <p>(a) where an appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence</p>



Director may contract with company	<p>or conviction resulting in the sentence, or order until the expiry of seven days from the date which such appeal or petition is disclosed of; or</p> <p>(c) where within seven days aforesaid any future appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, the appeal or petition, if allowed would result in the removal of the disqualification until such further appeal or petition is disposed off.</p> <p>123. (1) A Director or his relatives, a firm in which such Director or relative is a partner, or any other partner in such firm or a private company, of which director is a member or a private company of which the company is a member may enter any contract with the company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any share in, or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.</p> <p>(2) No sanction shall, however, be necessary for</p> <p>(a) Any purchase of goods and material from the Company, or the sale of the goods or materials to the Company, by any such director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or 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, where the value of the goods and material or costs or such services does not exceed Rs.5,000/- in the aggregate in any year comprised in the period of the contract or contracts.</p> <p>Provided that in circumstances of urgent necessity, a director, relative, firm, partner or private company as a aforesaid may without obtaining the consent of the board enter into any such contract with the Company for the sale purchase or supply or any goods, material or service even if the value of such goods or the cost of such services exceeds Rs.5,000/- in the aggregate in any year comprised in the period of the contract or contracts at a meeting within three months of the date on which the contract was entered into.</p>
Disclosed of Interest	<p>124. A Director of the company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other</p>



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| General notice of interest | 125. | <p>company where any of the Director of the company or two of more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.</p> <p>A General notice given to the board by the Directors, to the effect that he is a director or member of a specified body corporate or is a partner of a specified form and is to be regarded as concerned or interest in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by fresh notice given in the 1st 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 it is given at a meeting of Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the board after it is given.</p> |
| Interested directors not to Participate or vote in Board's proceedings | 126. | <p>No Director shall act as director or take part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the company, if he is in any way, whether directly or indirectly concerned or interest 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 vote; and if he does vote, his vote shall be void; provided however, that nothing here in contained shall apply to;</p> <p>(a) any contract or indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming of being sureties of surety for the Company.</p> <p>(b) any contract or arrangement entered into or to be entered into with public Co. or private company which is a subsidiary of a public company in which the interest of the Director consist 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 a requisite to qualify him for appointment as a director thereof, having been nominated as such Director by the company.</p> |
| Register of Contract contracts in which directors are interested | 127. | <p>Or</p> <p>ii) in this being a member holding not more than 2 % of its paid up share capital.</p> <p>The Company shall keep a Register in accordance with Section 301 (1) and shall within the time specified 301(2) enter therein such of the particulars as may be relevant having regard to the application there to of Section 297 or Section 299 of the Act as the case may be. The Registrar aforesaid shall also specify, in relation to each Director to each Director of the company the named of the bodies corporate and firms</p> |



		of which notice has been given by him under Articles 124. The Register shall be kept at the office of the company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof in the same manner, and on the payment of the same fee as in the case of the register of Members of the Company and the provision of Section 163 of the act shall apply accordingly.
Director may be Directors of Companies promoted by the Company	128.	A Director may be or become a director of any company promoted by the company or in which it may be interest as a vendor, shareholder, otherwise, and no such director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 309 (6) or Section 314 of the Act may be applicable.
Retirement and rotation of Directors	129.	At every annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
Ascertainment of directors retiring by rotation and filling of vacancies	130.	Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 129 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of, and subject to any agreement among themselves, be determined by lot.
Eligibility for re-election	131.	A retiring director shall be eligible for re-election.
Company to appoint accessors.	132.	Subject to Section 258 and 259 of the Act, the Company at the General Meeting at which a Director retired in manner aforesaid may fill up the vacated office by electing a person thereto.
Provision and default of appointment	133.	(a) if the place of the retiring director is not so filled up and the meeting has not expressly resolved not to fill up the vacancy the meeting shall stand adjourned until the same day in the next week, at the same time and place. (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to filled the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:- (i) at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to vote and lost; (ii) the retiring director has, by a notice in writing addressed to the company or its board expressed his unwillingness to be so reappointed. (iii) he is not qualified or is disqualified for appointment. (iv) a resolution whether special or ordinary, is required for the appointment of or reappointment by virtue of any provisions of the Act; or (v) the provision to Sub-section (2) of Section 263 of the act is applicable to the case.
Company may increase reduce the	134.	Subject to Section 259 of the Act, the Company may,



number of Directors		increase or reduce by Ordinary resolution, from time to time, increase or reduce the number of Directors and May alter their qualifications and the company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appointment another qualified person in his place. The persons so appointed shall hold office during such time as the Director in whose place the is appointed would have held the same if he had not been moved.
Notice of candidate for office of directors except uncertain cases	135.	<p>(a) No person not being a retiring Director, shall be eligible for appointment to the office of director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such members to propose him as a candidate for that office.</p> <p>(2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Section 257 of the Act signifying his candidature for the office of a directors proposes as candidate for the office of a Director shall sign and file with the company, the consent in writing to act as a Director if appointed.</p> <p>(3) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or and Additional or Alternate director or a person filling causal vacancy in the office of director under Section 262 of the Act, appointed as Director, immediately on the expiry of his terms of office, shall not act as a director of the Company unless he has within thirty days of his appointment signed and filed with the registrar his consent in writing to act as such director.</p>
Register of directors etc. and notification of change in register	136.	<p>(a) The company shall keep at its office a Register containing the particulars of its Directors, Managers, Secretaries and other person mentioned in Section 303 of the Act, and shall otherwise comply with the provision of the said Section in all respects.</p> <p>(b) the company shall in respect of each of its directors also keep at its office a Register, as required by section 307 of the Act, and shall otherwise duly comply with the provisions of the said section in all respect.</p>
Registers of shares of debentures held by Directors		
Directors of appointment only other body corporate	137.	<p>(a) Every director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act, or Managing Director, manager his appointment of any of the above offices in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.</p> <p>(b) every director and every person deemed to be a director of 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</p>
Disclosure by a Director of his holding of share and debenture of company etc.		

the Act and of comply with the provision of that section.

MANAGING DIRECTOR

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| Board may appoint Managing Director or Managing Directors | 138. | Subject to the provisions of the Act and of the Articles, the board shall have power to appoint time to time any of its members as Managing Director of Managing Directors of the company for fixed term not exceeding five years at time and upon such terms and conditions as the Board thinks fit and subject to the provision of Articles 139 the board may by resolution vest in such managing director of managing Directors such of the powers hereby vested in the Board generally as it think fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, of fee for each meeting or participation in profits, or by any of all these modes, or any other mode not expressly prohibited by the Act. |
| Restriction on management | 139. | The Managing Director or Managing Directors shall not exercise the powers to:
(a) make calls on share holders in respect of money unpaid on the shares in the company.
(b) issue debentures and except to the extent mentioned in the resolution passed at the board meeting under section 292 of the Act, shall also not exercise the powers to;
(c) borrow moneys, otherwise than on debenture.
(d) invest in the funds of the company and
(e) make loans. |
| Certain persons to be appointed | 140. | The company shall not appoint or employ, or continue the appointment of employment of a person as its Managing or whole time Director who:-
(a) is an un-discharged insolvent, or has at any time been adjudged as insolvent;
(b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made, a compositions with them or
(c) is, or has at any time been convicted by a court of an offence involving moral turpitude. |
| Managing Director Special Position of Managing Director | 141. | A managing director shall not while he continues to hold that office be subject to the retirement by rotation in accordance with Article 129. If he ceases to hold the office of director, he shall ipso facto and immediately cease to be a Managing Director. |

THE SECRETARY

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| Secretary | 156. | The Directors may from time to time appoint, and at their discretion, remove the Secretary provided that where the Board comprises only of Directors, neither of them shall be the secretary. The Secretary appointed by the Directors pursuant to this Article shall be a whole time Secretary. The Directors may also at any time appoint some person, who |
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need not be the secretary to keep the registers required to be kept by the Company.

THE SEAL

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| The Seal, its custody and use | 157. | <p>(a) 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 view thereof, and the seal shall never to be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.</p> |
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DIVIDEND

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| Deeds how Executed | 158. | Every Deed or other instrument, to which the seal of the Company required to be affixed, shall unless the same is executed by duly constituted attorney, be signed by two Directors or one Directors and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate, the seal shall be affixed in accordance with the Article 19(a). |
| Division of profits | 159. | The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and subject to the provisions of these Articles, shall be divisible amount the members in proportion to the amount of capital paid-up on the shares held by them respectively. |
| The Company in General Meeting may declare a dividend | 160. | The Company in General Meeting may declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend. |
| Dividends only to be paid out or profits | 161. | <p>No dividends shall be declared or paid otherwise than out of the profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions an remaining undistributed or out of oath, provided that;</p> <p>(a) If the Company has not provided for depreciations for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or years.</p> <p>(b) If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year those years whichever is less, shall be set off against the profits of the company for the year for which the dividends is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with provisions of sub-section (2) of section 205 of the Act, or against both.</p> |
| Interim Dividend | 162. | The Board may, from time to time, pay to the members such interim divided as in their judgment the position of the |



Capital paid up in advance at interest not to earn dividend	163.	Company justifies. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
Dividends in proportion to amount paid up	164.	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 shares is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividends accordingly.
Retention of dividends until completion of transfer under Article	165.	The Board may retain the dividends payable upon shares in respect of which any person in under the Article 59 entitled to become a member or which any person under that Article is entitled to transfer; until such a person shall become a member, in respect of such shares or shall duly transfer the same.
Dividends etc. to joint-holders	166.	Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
No members to receive dividend while indebted Company's	167.	No members shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due 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 may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
Right of reimbursement thereof		
Transfer of share must be registered	168.	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Dividends how	169.	Unless otherwise directed, any dividend may be paid remitted by Cheque or warrant or a by a pay slip or receipt having the force of a Cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders to that one of them first named in the Register in respect of joint-holdings. Every such Cheque to whom it is sent. The Company shall not be liable or responsible for any Cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Unclaimed dividend	170.	No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes bared by law and the company
Dividend and call together	171.	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 and the dividend may, if so arranged between the Company and the Member, be set off against the calls.

CAPITALISATION OF RESERVES

Capitalization of Reserves	172.	Any General Meeting may resolve that any moneys investments, or other assets forming part of the undivided profits, of the company standing to the credit of the Reserves,
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- or any Capital Redemption Reserve Fund, or in the hands of the company and available for dividend or representing premiums received on the issue of share and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions and the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such members in paying up in fully any un issued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payments of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of a share premium Account or a Capital Redemption Reserves Fund may, for the purpose of this Article, only be applied in the paying up of un issued shares to be issued to members of the Company a fully paid Bonus shares.
- Surplus moneys 173. A General Meeting may resolve that any surplus money arising from the realization of any capital assets of the company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- Fractional certificate 174. For the purpose of giving effect to any resolution under the last two preceding Articles thereof the Board may settle any difficulty which may rise in regard to the distribution as it thinks expedient and in particular may issue fractional certificated, and may fix the value for distribution of any specific assets, and may determine that cash payment, shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board, Where requisite, a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capitalized fund, and such appointment shall be effective.

ACCOUNTS

- Director to keep true accounts 175. (1) The Company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 209 of the Act, with respect to:
- (a) All sums of moneys received and expended by the Company and the matters in respect of which the receipts and expenditure take place.
 - (b) All sales and purchase of goods by the Company;
 - (c) The Assets and Liabilities of the Company.
- (2) Where the Board decides to keep all or any of the books of Accounts at any place other than the office of the Company, the Company shall within seven days of the



		decision file with the Register a notice in writing giving the full address of that other place.
		(3) The Company shall preserve in good order the Books of Accounts relating or period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
		(4) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the Branch office are kept at the branch office and proper summarized return made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Account are kept as aforesaid.
		(5) The Books of Account shall give a true and fair view of the state affairs of the Company or branch office, as the case may be, and explain its transaction; the Books of Account and other books and papers shall be open to inspection by any Directors during business hours.
As to Inspection of Accounts or books by Members	176.	The Board shall time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any Account or books or document of the office or other place in India, at which the company except as conferred by law or authorised by the Board.
Statement of Accounts to be Furnished to general Meeting	177.	The Directors shall from time to time in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be laid before the Company in General Meeting, such Balance Sheets, profit and Loss Account and Reports as are required by these Sections.
Copy of balance sheet or Statement to be sent to each member	178.	A copy of every Balance sheet and Profit and Loss Account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a statement containing salient features of such documents in the prescribed form, as laid down under section 219 of the Companies Act, 1956 as the Company may deem fit, shall not less than twenty-one days before the Meeting at which the Balance Sheet and the Profit and Loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 219 of the Companies Act, 1956, provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

AUDIT

Accounts to be audited	179.	Auditors shall be appointed and their rights and duties regulated in accordance with section 224 to 233 of the Act.
First Auditor or Auditors	180.	The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of



registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual general Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all or such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the Meeting provided further that if the board fails to exercise its powers under this Articles, the Company in General Meeting may appoint the first Auditor or Auditors.

WINDING UP

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| Liquidator may divide assets specie | 189. | The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of any preference share capital, divide amount the contributories in specie 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 as the Liquidator, with the like sanction shall think fit. |
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INDEMNITY AND RESPONSIBILITY

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| Director and other rights of indemnity | 190. | Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in this favour or in which he is acquitted or discharged or in connection with any application under section 633 of Act, in which relief is granted to him by the court. |
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SECTION XII - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTIONS

The following Contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Offer Document) which are or may be deemed material have been entered or to be entered into by our Company. These Contracts, copies of which have been attached to the copy of this Offer Document, delivered to the Registrar of Companies, Maharashtra located at Mumbai for registration and also the documents for inspection referred to hereunder, may be inspected at the Corporate office of our Company situated at, Dalamal House, 1st Floor, J.B. Marg, Nariman Point, Mumbai – 400 021, Maharashtra, India from 10.00 a.m. to 4.00 p.m. from the date of this Offer Document to until the date of Closing of the Issue.

A. Material Contracts:

1. Letter of our company dated May 29, 2009 appointing Ashika Capital Limited as Book Running Lead Manager for the issue.
2. Memorandum of Understanding dated July 31, 2009 entered between our Company and Ashika Capital Limited, the Book Running Lead Manager.
3. Memorandum of Understanding dated August 01, 2009 entered into by our Company with Bigshare Services Pvt. Ltd., to act as the Registrar to the Issue.
4. Escrow agreement dated December 22, 2009 between our Company, BRLM, Registrar, the Syndicate Members and the Escrow Collection Banks.
5. Syndicate Agreement dated December 22, 2009 between our Company, BRLM and the Syndicate Members.
6. Underwriting Agreement dated [●] between our Company, BRLM and the Syndicate Members.
7. Tripartite agreement between the Company, CDSL and Bigshare Services Pvt. Ltd. dated December 12, 2001.
8. Tripartite agreement between the Company, NSDL and Bigshare Services Pvt. Ltd dated December 29, 2001
9. Joint Venture Agreement between the Company and Vision India Software Exports Private Limited dated April 30, 2009.

B. Material Documents:

1. Memorandum and Articles of Association of our Company as amended from time to time.
2. Certificate of Incorporation dated 25th May 1992, issued by the Registrar of Companies, Maharashtra.
3. Copy of the Letter of Offer made in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations 1997.
4. Copy of the resolution passed under Section 81(1A) of the Companies Act, 1956 at the meeting of the Board of Directors held on May 25, 2009.
5. Certified Copy of the Minutes duly signed by the Chairman with respect to the approval by the Members of the Company by way of Postal Ballot in pursuant to Section 192A (2) of the Companies Act, 1956 read with Companies (Passing of resolution by postal ballot) Rule, 2001 dated 15th July, 2009.
 - (i) Authorising further issue of shares under Section 81 (1A) of the Companies Act, 1956
 - (ii) Giving authority to Board of Directors to borrow under Section 293(1) (d) of the Companies Act, 1956.



6. Copy of the resolution passed under section 18 of the Companies Act, 1956 with respect to the change in the main object clause of the company by members of the company by way of postal ballot in pursuant to Section 192A (2) of the Companies Act, 1956 read with Companies (Passing of resolution by postal ballot) Rule, 2001 dated 13th August, 2009.
7. Copy of resolution of the meeting of board of directors of the company held on 30th June, 2009 interalia constituting the Public Issue Committee and to do all other acts in relation to this issue.
8. Copy of resolution of the meeting of board of directors of the company held on 30th June, 2009 interalia constituting the Project Monitoring Committee to monitor the implementation of the project.
9. Copies of Annual reports of our Company for the years March 31, 2005, 2006, 2007, 2008 and 2009.
10. Report of the statutory Auditor M/s. L.K.M & Co Chartered Accountants, dated December 11, 2009 as mentioned in the RHP.
11. Letter dated December 4, 2009 from the auditors of our Company M/s L.K.M & Co, Chartered Accountants confirming tax benefits and tax shelter as mentioned in the RHP
12. Consent letter dated July 20, 2009 from statutory auditors, M/s L.K.M & Co, Chartered Accountants.
13. Certificate from the auditors M/s., L.K.M & Co, Chartered Accountants dated August 21, 2009 regarding the sources and deployment of funds.
14. Copy of the Board Resolution dated April 24, 2009 regarding appointment of Ms. Jigna Parikh as our Company secretary and compliance officer.
15. Copies of Undertakings from M/s Birla Shloka Edutech Ltd
16. Consents of BRLM, Auditors, Bankers to our Company, Legal Advisors, Directors, Company Secretary & Compliance Officer, Registrars and Bankers to the Issue, Syndicate Members and Underwriters to include their names in the Offer Document to act in their respective capacities.
17. Legal Due Diligence Report dated December 11, 2009 from Hemant Sethi & Co, Advocates as Legal Advisors to the Issue for vetting and approval of Offer Document.
18. In principle listing approval from BSE, CSE and ASE vide their letters DCS/IPO/BS/IPO-IP/772/2009-10 dated October 23, 2009, CSEA/LD/521/2009 dated November 3, 2009 andASEL/2009/920 dated October 27, 2009 respectively;
19. Due Diligence Certificate dated August 29, 2009 to SEBI from M/s. Ashika Capital Ltd.
20. SEBI Final observation letter no. CFD/DIL/ISSUES/PB/EHM/185727/2009 dated December 01, 2009 and reply of the BRLM to the same dated December 12, 2009
21. No Objection certificate from Bank of India, Altamount Road Branch, Mumbai 400 026 that have sanctioned OD to carry on the proposed public issue.
22. Scheme of Amalgamation and High Court order dated 27th June 2008 related to Shloka Infotech Limited.

Any of the contracts or documents mentioned in this RHP may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes



DECLARATION

All the relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the guidelines issued by Securities Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act 1992, as the case may be, have been complied with and no statement in this RHP is contrary to the provisions of the Companies Act, 1956, the Securities Exchange Board of India Act, 1992, or the rules made there under or guidelines issued, as the case may be. All the said legal requirements connected with this issue as also the guidelines, instruction etc, issued by SEBI, the Government and any other competent authority in this behalf have been duly complied with.

We, the Directors of Birla Shloka Edutech Limited, hereby declare and confirm that no information/ material likely to have a bearing on the decision of the investors in respect of the Equity Shares issued in terms of this RHP has been suppressed/ withheld and/ or incorporated in the manner that would amount to misstatement/ misrepresentation. We further certify that all the statements in this RHP are true and correct.

SIGNED BY

Mr. Yashovardhan Birla
Chairman

Mr. Nidigallu Srikrishna
Managing Director

Mr. Tushar Dey
Director

Mr. Mohandas Shenoy Adige
Director

Mr. Vijay Agarwal
Director

Mr. Anoj Menon
Director

Ms. Jigna Parikh,
Company Secretary & Compliance Officer

Place: Mumbai
Date: December 23, 2009