



BEDMUTHA INDUSTRIES LIMITED

(Originally incorporated as "Bedmutha Wire Company Private Limited" on August 23, 1990 in the state of Maharashtra under the Companies Act, 1956 vide Registration No.11-57863 (CIN U31200MH1990PLC057863). The name of the Company was changed to Bedmutha Wire Company Limited on conversion into Public Limited Company and a fresh certificate of incorporation was obtained from Registrar of Companies, Maharashtra, Mumbai on September 23, 1997. The name of the Company was further changed to "Bedmutha Industries Limited" and a fresh certificate of incorporation was obtained from Registrar of Companies, Maharashtra on November 18, 2009. For details in change in the name of our Company and our registered office, see the section titled "Our History and Corporate Structure" beginning on page no 105 of this RHP)

Registered Office: A-32, STICE, Sinnar, Nashik-422 103, (Maharashtra India)

Tel : 91 – 2551 240481/240631/ 240068/ 240069; **Fax:** 91 – 2551 240482;

Corporate Office : B – 301 / 302, Sai Classic, Off Palm Acres, Gavanpada, Mulund (East) Mumbai -400 081.

Tel : 91 – 22 – 21637675, **Fax:** 91 – 22 – 21631667;

Website: www.bedmutha.com, **Email:** ipo@bedmutha.com

Contact person: Mr. Nilesh Amrutkar, Company Secretary and Compliance Officer; **E-mail:** complianceofficer@bedmutha.com

Promoters: Mr. Kachardas R. Bedmutha, Mr. Vijay K. Vedmutha, Mr. Ajay K. Vedmutha, Mrs. Usha V. Vedmutha and Bedmutha Sons Realty Ventures Private Limited

ISSUE OF 90,00,000 EQUITY SHARES OF Rs. 10/- EACH FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE OF BEDMUTHA INDUSTRIES LIMITED (THE "COMPANY" OR THE "ISSUER") (INCLUDING A SHARE PREMIUM OF Rs [●]) AGGREGATING TO Rs. [●] LACS (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE ISSUE WOULD CONSTITUTE 42.80% OF THE POST ISSUE PAID-UP EQUITY CAPITAL OF OUR COMPANY.

PRICE BAND: Rs. 95/- TO Rs. 102/- PER EQUITY SHARE
THE ISSUE PRICE IS 9.5 TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND 10.2 TIMES OF THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND

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") and the National Stock Exchange of India Limited (the "NSE"), 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 Managers (the "BRLMs") and the terminals of the members of Syndicate. This Issue is being made through the 100% Book Building Process wherein upto 50% of the Issue to the Public shall be available for allotment on a proportionate basis to Qualified Institutional Buyers ("QIBs"), subject to valid bids received at or above the Issue Price. Out of portion available for allotment to the QIBs, 5% shall be available for allotment on a proportionate basis to Mutual Funds only and the remaining QIB portion shall be available for allotment on Proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue to the Public shall be available for allotment on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue to the Public shall be available for allotment on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10 per Equity Share and the Issue Price is [●] times the face value. The Issue Price (as determined and justified by the BRLMs as stated in the section titled "Basis of Issue Price" on page no. 64) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and 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 Red Herring Prospectus. Specific attention of the investors is invited to the statements in the chapter II titled "Risk Factors" beginning on page no. xii of this Red Herring Prospectus.

IPO GRADING

This Issue has been graded by ICRA Limited as 'IPO Grade 2', indicating below average fundamentals through its letter dated August 10, 2010. The IPO grading is assigned on a five point scale from 1 to 5 with an "IPO Grade 5" indicating strong fundamentals and an "IPO Grade 1" indicating poor fundamentals. For details, please refer to the section titled "General Information" starting from page no.22.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered pursuant to this Red Herring Prospectus are proposed to be listed on the BSE and the NSE. We have received the in-principle approvals of the BSE and the NSE for the listing of the Equity Shares pursuant to their letter no. May 05, 2010 & June 15, 2010 respectively. For the purpose of this Issue, the Designated Stock Exchange is BSE.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE ISSUE

KEYNOTE
CORPORATE SERVICES LTD.



KEYNOTE CORPORATE SERVICES LIMITED
4th Floor, Balmer Lawrie Building,
5, J.N. Heredia Marg, Ballard Estate,
Mumbai - 400001
Tel: 91- 022- 3026 6000-03;
Fax: 91- 022- 2269 4323
Email: mbd@keynoteindia.net
Website: www.keynoteindia.net
SEBI Registration No: INM 000003606

ASHIKA CAPITAL LIMITED
1008 Raheja Centre,
214, Nariman Point,
Mumbai- 400 021.
Tel: +91 - 022 - 66111700
Fax: +91 - 022 - 66111710
Email: mbd@ashikagroup.com
Website: www.ashikadirect.com
SEBI Regn. No.: INM 000010536

MONDKAR COMPUTERS PVT. LTD.
21, Shakil Niwas, Opp. Satya Sai Baba Temple,
Mahakali Caves Road, Andheri (East) Mumbai 400093.
Tel: 91-22-28257641, 28366620
Fax: 91-22-28262920
Email: bedmutha_ipo@mondkarcomputers.com
Website: www.mondkarcomputers.com
SEBI Registration No: INR000004082

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON : TUESDAY, SEPTEMBER 28, 2010

BID/ISSUE CLOSES ON : FRIDAY, OCTOBER 01, 2010



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DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

I. CONVENTIONAL / GENERAL TERMS:

Term	Description
Articles / Articles of Association / AoA	Articles of Association of Bedmutha Industries Limited
BSE	Bombay Stock Exchange Limited, Mumbai
Companies Act	The Companies Act, 1956, as amended from time to time for the time being in force
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
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/March 31	Period of twelve months ended March 31 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 Bedmutha Industries 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.
NSE	National Stock Exchange of India Limited
SCRR	Securities Contracts (Regulations) Rules, 1957 as amended
SEBI	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 and amendments thereof
RBI	Reserve Bank of India
Directors	The Directors of our Company, unless the context otherwise requires

OFFERING-RELATED TERMS

Term	Description
Allotment/Allocation/ 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/Application Supported by Blocked Amount	An application for subscribing to an issue, containing an authorization to block the application money in a bank account.
ASBA Account	Account maintained by an ASBA Bidder with an SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder.



Term	Description
ASBA Investor	An Investor who intends to apply through ASBA process and is applying through blocking of funds in a bank account with the SCSB. All investors are eligible to apply through ASBA process.
ASBA Form	Bid cum Application form for ASBA Investor intending to subscribe through ASBA
Banker(s) to the Issue	The Banks which are registered with SEBI as Banker(s) to the issue where Escrow Account will be opened, in this case being HDFC Bank Limited, Axis Bank Limited, Standard Chartered Bank, IndusInd Bank Limited and Punjab National Bank.
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. 281
Bid	An indication to make an offer during the Bidding Period by a Bidder, pursuant to submission of a Bid cum Application Form to subscribe to our Equity Shares at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by all categories of investors pursuant to the submission of an ASBA Bid cum Application Form to subscribe to the Equity Shares at Cut-off Price
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.
Bidding Period	The period between the Bid/Issue Opening Date and the Bid Closing Date, inclusive of both days during which prospective Bidders can submit their Bids, including any revisions thereof
Bid/ Issue Closing Date	The date after which the Syndicate and SCSBs will not accept any Bids, which shall be notified in an English national newspaper and a Hindi national newspaper (which is also the regional newspaper), each with wide circulation
Bid/ Issue Opening Date	The date on which the Syndicate and SCSBs shall start accepting Bids, which shall be notified in an English national newspaper and a Hindi national newspaper (which is also the regional newspaper), each with wide circulation
Bid-cum-Application Form	The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares of our Company and which will be considered as the application for allotment in terms of this RHP.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, including an ASBA Bidder.
Book Building Process / Method	Book building mechanism as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009, in terms of which this Issue is made.
BRLMs	Book Running Lead Managers to this Issue, in this case being Keynote Corporate Services Limited and Ashika Capital Limited
CAN/ Confirmation of Allotment Note	The note or advice or intimation of allotment of Equity Shares sent to the successful Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof.
Cap Price	The upper end of the Price Band, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Cut-off Price	The Issue Price as applicable finalized by our Company in consultation with the BRLMs which shall be any price within the Price Band. Only Retail Individual Bidders whose amount does not exceed Rs. 100,000 are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price



Term	Description
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available at http://www.sebi.gov.in/pmd/scsb.pdf
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, Mumbai, following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	Bombay Stock Exchange Limited
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	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares
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 [●] entered into among our Company, the Registrar to this Issue, the Escrow Collection Banks and the BRLMs 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 HDFC Bank Limited, Axis Bank Limited, Standard Chartered Bank, IndusInd Bank Limited and Punjab National Bank.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form and ASBA Bid cum Application 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.
FVCI	Foreign Venture Capital Investor registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
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 90,00,000 equity shares of Rs. 10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. [●] Lacs.
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	The final price at which Equity Shares will be issued and Allotted to the successful Bidders, in terms of the Red Herring Prospectus and the Prospectus. The Issue Price will be decided by our Company in consultation with the BRLMs on the Pricing Date
Margin Amount	The amount paid by the Bidder at the time of submission of the Bid, being 100% of the Bid Amount



Term	Description
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 equal to a minimum of 2,25,000 Equity Shares available for allotment to Mutual Funds only on a proportionate basis
Issue to public	The present Issue is referred to as Issue to Public i.e. Issue of 90,00,000 Equity Shares of Rs. 10 each for cash at a price of Rs. [●] aggregating Rs. [●] Lacs.
Non Institutional Bidders	All Bidders, including sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000
Non Institutional Portion	The portion of this Issue being not less than 15% of the Issue consisting of 13,50,000 Equity shares of Rs. 10 each aggregating Rs. [●] Lacs, available for allotment to Non Institutional Bidders.
Non-Resident	An applicant who is not an NRI or FII and not a person resident in India
Price Band	The price band of a minimum price ("Floor Price") of Rs. 95/- and the maximum price ("Cap Price") of Rs. 102/- and includes revisions thereof.
Pricing Date	The date on which our Company in consultation with the BRLMs finalized the Issue Price.
Prospectus	The Prospectus, filed with the Registrar of Companies, Maharashtra, Mumbai in terms of Section 60 of the Companies Act, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of 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.
QIB Margin Amount	An amount representing 100% of the Bid Amount payable by QIBs at the time of submission of their Bid
QIB Portion	Consists of issue of upto 45,00,000 Equity Shares of Rs. 10 each at a price of Rs. [●] for cash aggregating to Rs. [●] Lacs being up to 50% of the Issue, available for allotment to QIBs. 5% of the QIB Portion shall be available for allotment 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, FIIs and sub accounts registered with SEBI, other than a sub account which is a foreign corporate or foreign individual, scheduled commercial banks, mutual funds registered with SEBI, foreign institutional investor and sub account (other than a sub account which is a foreign corporate or a foreign individual) 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 Lacs and pension funds with minimum corpus of Rs.2,500 Lacs . National Investment Fund set up by Resolution F.NO. 2/3/2005 DD 11 Dated Nov.23,2005 and Insurance funds set up and managed by Army, Navy or Air Force of the Union of India
Red Herring Prospectus	The Red Herring Prospectus dated September 14, 2010 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 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 allotment



Term	Description
Refund Account(s)	Account(s) opened with Escrow Collection Bank(s) from which refunds of the whole or part of the Bid Amount (excluding to the ASBA Bidders), if any, shall be made
Refund Banker	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue, at which the Refund Accounts will be opened.
Refunds through electronic transfer of funds	Means refunds through ECS, Direct Credit, NEFT or RTGS as applicable
Registrar to this Issue	Registrars to this issue being Mondkar Computers Pvt Ltd.
Resident Retail Individual Bidders	Retail Individual Bidder who is a person resident in India as defined in the Foreign Exchange Management Act, 1999 and who has Bid for Equity Shares for an amount not more than Rs. 100,000 in any of the bidding options in the Issue
Retail Individual Bidders	Individual Bidders (including HUFs and NRIs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the bidding options in the Issue
Retail Portion	Consists of issue of 31,50,000 Equity Shares of Rs. 10 each for cash at a price of Rs [•] aggregating to Rs. [•] Lacs, being not less than 35% of the 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).
ROC	Registrar of Companies at Mumbai, Maharashtra, India
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
Stock Exchanges	BSE and NSE
Syndicate	BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement dated [•] entered into between our Company and the members of the Syndicate, in relation to the collection of Bids (excluding ASBA Bidder) in this Issue.
Syndicate Members	Intermediaries registered with SEBI and eligible to act as underwriters. Syndicate members are appointed by the BRLMs and in this case being
Transaction Registration Slip/ TRS	The slip or document issued by the Syndicate Members or SCSBs to the Bidders as proof of registration of the Bid.
Underwriters	BRLMs and the Syndicate Members.
Underwriting Agreement	The Agreement among the Underwriters and our Company entered into on or after the Pricing Date.
Working Day	Any day other than Saturday, Sunday and public holidays on which commercial banks in India are open for business

**III. COMPANY/ INDUSTRY-RELATED TERMS**

Term	Description
AGM	Annual General Meeting
Auditors	The statutory and tax auditors of our Company is M/s Patil Hiran Jajoo & Co. Chartered Accountants
Bedmutha/ BWCL/We/ Us/ our Company/ the issuer	Unless the context otherwise indicates or implies refers to Bedmutha Industries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at A-32 , STICE, Musalgaon, Sinnar, Nashik-422 103, Maharashtra, India
Board of Directors	The Board of Directors of Bedmutha Industries Limited or a committee thereof
Compliance Officer	Compliance Officer of our Company is Mr. Nilesh.S. Amrutkar, Company Secretary
Corporate Office	B – 301 / 302, Sai Classic, Off Palm Acres, Gavanpada, Mulund (East) Mumbai -400 081.
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
Promoter(s)	Persons whose name has been included as promoters as referred on page no. 130
Promoter Group	The individuals, companies and entities, as described in the section titled “Our Promoters and their background” commencing on page no. 130
Registered Office of our Company	A-32, STICE, Musalgaon, Sinnar, Nashik-422103, Maharashtra, India

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

Abbreviations	Full Form
AS	Accounting Standards Issued by Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
BPLR	Benchmark Prime Lending Rate
BRLMs	Book Running Lead Managers
CAGR	Compounded Annual Growth Rate
Capex	Capital Expenditure
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
EEA	European Economic Area
ECS	Electronic Clearance System
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
IEA	International Energy Agency
IPO	Initial Public Offer
JV	Joint Venture
JVC	Joint Venture Company
Ltd.	Limited
MPCB	Maharashtra Pollution Control Board
LRPC	Low Relaxation Pre-stress Concrete
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.
NCT	National Capital Territory
NEFT	National Electronic Fund Transfer
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
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
Pvt.	Private
Pvt. Ltd.	Private Limited



Abbreviations	Full Form
PSC	Pre-stress Concrete
QIB	Qualified Institutional Buyer
RTGS	Real Time Gross Settlement
RBI	The Reserve Bank of India
RoC	The Registrar of Companies
RoNW	Return on Net Worth
SEBI	Securities & Exchange Board of India
Sec.	Section
UIN	Unique Identification Number
US	United States of America
VCF	Venture Capital Funds
ASTM	American Society for Testing and Materials
DIN	Deutsches Institut für Normung
JIS	Japanese Industrial Standards
BSS	British Standards Society
ISS	Iron and Steel Society
WMDC	Western Maharsahtra Development Corporation



NO OFFER IN THE UNITED STATES

The Equity Shares have not been recommended by any US federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus. Any representation to the contrary is a criminal offence in the United States. The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Red Herring Prospectus as "QIBs") in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. This Red Herring Prospectus has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area ("EEA"), from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and Council and includes any relevant implementing measure in each Relevant Member State (as defined below). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in this Red Herring Prospectus should only do so in circumstances in which no obligation arises for the Company or any of the Underwriters to produce a prospectus for such offer. None of the Company and the Underwriters have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Underwriters which constitute the final placement of Equity Shares contemplated in this Red Herring Prospectus.



PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

In this RHP, the terms “we”, “us”, “our”, the “Company”, “our Company,” “Bedmutha”, “BWCL”, unless the context otherwise indicates or implies, refers to Bedmutha Industries Limited. In this RHP, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac or Lac” means “one Hundred thousand”, the word “Crore” means “hundred Lacs”, the word “million (million)” means “ten Lac”, 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 generally accepted accounting principles followed in India (“Indian GAAP”) and the Companies Act and restated in accordance with the ICDR Regulations, included in this RHP. Unless indicated otherwise, the operational data in this RHP is presented on a consolidated 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

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 217 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 BRLMs, 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 ICDR requirements, the Company, the BRLMs 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 I – 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.

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:

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

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

INTERNAL RISK FACTORS

1. ***Our Company, Promoters, Directors and our Group Companies are part of certain litigations, the outcome of which could adversely affect our business operations and financial condition***

The summary of outstanding litigations against/ by our company, promoters and directors is as follows:

(Rs. in Lacs)			
Sr. No.	Particulars	No. of Cases / Disputes	Amount involved where quantifiable
1	<i>Against the company</i>		
	Central Excise related	4	86.07
2	<i>Against the Directors</i>		
	Central Excise related	2	Not Quantifiable
3	<i>By the Company</i>		
	Writ Petitions	2	90.22
4.	<i>By the Partnership Firm</i>		
	Writ Petitions	2	27.41

For details of the above litigations, please refer to the section titled "Outstanding Litigation and Material Developments" beginning on page no. 226 of this Red Herring Prospectus.



2. We have certain contingent liabilities which have not been provided for and if any of them crystallizes, this could adversely affect our financial condition

As per audited accounts, contingent liabilities not provided for are as detailed below. In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected. The contingent liabilities are as follows:

(Rs. In Lacs)

Particulars	As on March 31, 2010 (Audited)	As on March 31, 2009 (Audited)
Letter of Credit Issued by Bank	1277.92	465.00
Foreign Letter of Credit issued by Bank	1082.29	436.20
Inland Bank Guarantee Issued	25.18	71.03
Corporate Guarantee Given*	3243.80	0.00
Estimated amount of Contract remaining to be executed on Capital Account	47.65	0.00
Custom Excise & Service Tax Appellate Tribunal, Bombay (F.Y 2003-04)	84.17	84.17
TOTAL Contingent Liabilities	5761.01	1056.40

* Represents Corporate Guarantee given to Axis Bank Limited for working capital limits sanctioned to our subsidiary Kamalasha Infrastructure and Engineering Private Limited (KIEPL).

3. The details of net negative cash flow reported by us in the financial year ended 2010 are as indicated in the table below

(Rs. in Lacs)

Particulars	For the year ended 31 st March 2010
Net Decrease in Cash and Cash equivalents	(220.32)

4. Loss Making Promoter Company /Group Companies/Subsidiary Company/Proprietary Concern

The losses made by the Promoter Company/Group companies/subsidiary company/Proprietary Concern during one or more of the last three financial years is as given herein under:

(Rs. In Lacs)

Name of the Entities	Amount of loss		
	March 31, 2009	March 31, 2008	March 31, 2007
Bedmutha Sons Reality Ventures Private Limited	-	(0.12)	(0.09)
Ashoka Pre Con Private Limited	(30.15)	-	-
Precrete Technologies Private Limited	(0.39)	-	-
KRBTA – Unison Consultancy Private Limited	-	(20.40)	(51.91)
Kamalasha Infrastructure & Engineering Private Limited	-	(0.08)	(0.02)
Usha Chemicals	(3.30)		

Further, as per the Audited Financial for the year ended March 31, 2010 Ashoka Pre Con Pvt. Ltd. has reported a loss of Rs. (67.34) lacs.



5. *Two of our Promoter Directors have interests in our company other than reimbursement of expenses incurred or normal remuneration or normal benefits*

Mr. K. R. Bedmutha (Chairman) and Mr. Ajay K. Vedmutha (Joint Managing Director) are deemed to be interested to the extent of Rs. 200.00 lacs and Rs. 152.80 lacs respectively paid as advance for acquisition of land. The said land is yet to be registered in the name of the company. For details, see the section "Our Promoters" – Interest of Promoters and details of Properties on page no. 133.

6. *Our Company and our individual promoters have provided corporate and personal guarantees*

Our Company and our individual promoters have provided corporate and personal guarantee to Axis Bank Limited in connection with the loan taken by our subsidiary company Kamalasha Infrastructure and Engineering Private Limited (KIEPL) for Rs.2793.00 Lacs. KIEPL is in the process of implementing Turnkey project of electrical distribution in the Dharangaon division of MSEDCL. In order to execute the same KIEPL has availed the fund based limit of Rs. 1293.00 Lacs and non fund based limits of Rs. 1500.00 Lacs from Axis Bank.

We have also provided corporate guarantee to the extent of Rs. 450.80 Lacs to Bank of Baroda in connection with limits availed by Ashoka Pre Con Pvt. Ltd. where we are holding 49.00% stake. Ashoka Pre Con Pvt. Ltd. is in the business of manufacturing pre stress concrete products. The said guarantee is to the extent of our share in Ashoka Pre Con Pvt. Ltd.

The aforesaid guarantees are provided as collateral securities to the Banks as per terms of sanction. If KIEPL/ Ashoka Pre Con Pvt. Ltd. is unable to repay its debt for any reason, our company and our promoters may be required to repay outstanding amounts under such facilities, which could result in an adverse effect on the financial operations of our company.

7. *There are certain restrictive covenants in the loan agreements entered into by us which could influence our ability to expand, in turn affecting our business and results of operations*

We have entered into consortium agreement with Punjab National Bank, Bank of India and Andhra Bank for Term Loan and working capital requirements. Some of these agreements contain restrictive covenants, including, but not limited to, requirements that we obtain written consent from lenders prior to issuing new shares, incurring further debt, creating further encumbrances on our assets, effecting any scheme of amalgamation or restructuring, undertaking guarantee obligations, declaring dividends, undertaking new projects or making investments. These restrictive covenants require us to seek the prior approval/consent of lenders. Though we have received approvals from all our lenders for this Issue, the same may not be available for the aforesaid activities in future. Any delay or non receipt of such approvals/consents could adversely affect the Company's ability to implement management decisions with regard to our business. For details on the restrictive covenants please refer page no. 113 of this RHP.

8. *The implementation of the project for which proposed issue is planned is at a very preliminary stage. Any delay in implementation of the same may increase the capital cost and also affect returns from the project*

We are in the process of enhancing our capacities through the proposed expansion. Same is being implemented partly on the existing land available and balance on new nearby location. We have estimated the cost and drawn the implementation schedule based on our experience. Presently, the implementation is at a preliminary stage. Any delay in implementation of the same will increase the capital cost and also affect the realization of returns from the project.



9. Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution

Our funding requirements and the deployment of the proceeds of the Issue are based on assessment of the project and estimates of cash flows by the management and have not been independently appraised by any bank/ financial institution. Our assessment and estimation are based on certain assumptions and are subject to changes in the course of implementation of the project or thereafter. For further details of the project please refer to the section titled 'Objects of the Issue' on page no.54 of this RHP.

10. We are yet to place orders for the entire plant and machineries aggregating to Rs. 3980.44 Lacs required as part of our expansion plans. Any delay in placing the orders or supply of plant and machineries may result in cost and time overrun and thereby affect our profitability

We propose to acquire plant and machinery aggregating Rs. 3980.44 Lacs for our proposed expansion project but we have not placed orders for entire plant and machineries required for our proposed expansion plan. Further, we are subject to risks on account of inflation in the price of plant and machineries that we require. Further, the validity of one of the quotation of Plant & Machineries has expired and the price the mentioned in the updated quotation may be different than the original one. The quotations Any delay in placing the orders or supply of equipment may result in cost and time overrun. The details of quotations received appear in the paragraph titled "Plant and Machinery" beginning on page no. 56 under the Section "Objects of the Issue" of this Red Herring Prospectus.

We have already spent an amount of Rs. 546.12 Lacs towards the project, out of our internal accruals. We intend to utilise IPO proceeds for purchasing the plant & machineries required for present expansion and accordingly we would place orders only after completion of our present public issue.

11. Our top 10 clients contribute approximately 51.21% of our sales for FY 2010. Any loss of business from one or more of them may adversely affect our revenues and profitability

Our top 10 clients contribute 51.21% of our revenues on a standalone basis of our turnover for F.Y. 2010. Any decline in our quality standards and growing competition and any change in the demand for our product/services by these customers may adversely impair our ability to retain these customers. The loss of our major customers or a decrease in the volume of products/services sourced from us may adversely affect our revenues and profitability. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

12. Our Company does not have any long term contracts with the customers. Any significant variation in the demand may adversely affect the operations and profitability of our Company

Our customers generally do not enter into any long term contracts with us. Our ability to maintain close and satisfactory relationships with our customers and to consistently manufacture products that meet their requirements is therefore important to our business. There is no assurance that these customers will continue to purchase products from us or that they will not scale down their orders. This could impact the financial performance of our company.

13. We have, during the preceding one year from the date of filing of the Draft Red Herring Prospectus, issued Equity Shares at variable prices, which may be lower than the Issue Price

Our company has issued the following Equity Shares in the last one year:

Date of issue	Shareholders Category	Number of equity Shares of Rs. 10/- each	Issue Price (Rs.)	Nature of Allotment
20.06.2009	Promoter Group and Others	24,712	26.67	Further Allotment



Date of issue	Shareholders Category	Number of equity Shares of Rs. 10/- each	Issue Price (Rs.)	Nature of Allotment
31.10.2009	Promoters, Promoter Group and Others	30,06,850	-	Bonus Shares in the ratio of 1:3

The Issue Price will be determined by us in consultation with the Book Running Lead Managers on the Pricing Date. We have issued Equity Shares in the last 12 months at variable prices that may be lower than the Issue Price. For further details, see the section titled "Capital Structure" on page no. 33 of this Red Herring Prospectus

14. We depend on the adequate and timely supply of raw materials at reasonable prices. Any delay in procuring requisite raw materials at suitable prices could affect our business operations

Our business is significantly affected by the availability, cost and quality of the raw materials which we need for manufacturing of our products. The prices and supply of raw materials depend on factors not under our control, including domestic and international general economic conditions, competition, and availability of quality suppliers, production levels, transportation costs and import duties. If, for any reason, our primary suppliers of raw materials should curtail or discontinue the delivery of such materials to us in the quantities we need, provide us with raw materials that do not meet our specifications, or at prices that are not competitive or not expected by us, our ability to meet our material requirements for our projects could be impaired, our manufacturing schedules could be disrupted and our results of operations and business could suffer.

15. We have entered into certain related party transactions and there is no assurance that we may not continue to do so in future also. This could have an adverse effect on our financial condition and results of operation

As per audited accounts for the Financial Years 2010 and 2009, we have entered into certain transactions with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. The total amount of related party transactions for the Financial Year ended March 31, 2009 aggregated to Rs. 627.25 Lacs and for the Financial Year ended March 31, 2010, amounted to Rs. 1045.95 Lacs. Such transactions or any future transactions with related parties may involve conflicts of interest and impose certain liabilities on our Company. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For detailed information on our related party transactions, refer Annexure XVI- A to our restated financial statements forming part of the section titled "Financial Statements" on page no. 191 of this Red Herring Prospectus.

16. The deployment of the issue proceeds is entirely at the discretion of the Management / Company and no independent agency has been appointed to monitor its deployment

As per SEBI (ICDR) Regulations, appointment of monitoring agency is required only for Issue size above Rs. 50,000 Lacs. Our issue size is below Rs. 50,000 Lacs and it is not mandatory for us to appoint monitoring agency, hence we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. Further, we cannot assure that the actual costs or schedule of implementation of the proposed manufacturing facility will not vary from the estimated costs or schedule of implementation, and such variance may be on account of one or more factors, some of which may be beyond our control. However, our Company shall inform about material deviations if any, in the utilization of issue proceeds to the stock exchange. Our Company shall provide details in the Balance Sheet about utilization of issue proceeds.



17. Our operations are subject to high working capital requirements. Our inability to obtain and/or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet our requirement of working capital or pay our debts, could adversely affect our operations

Our business requires significant amount of working capital. In many cases, significant amount of our working capital is required for purchasing and maintaining of stock of primary raw materials such as steel rods, zinc and lead. These raw materials are purchased locally or imported from Australia, China, Indonesia and Ukraine. Though, presently we have sanctioned working capital limits to the extent of Rs. 4900.00 lacs from the existing bankers, we may need to incur additional indebtedness in the future to satisfy our working capital needs. All these factors may result in increase in the quantum of our current assets and short-term borrowings. Our inability to obtain and/or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet our requirement of working capital or pay our debts, could adversely affect our financial condition and results of operations.

18. The logo “” does not belong to us

Currently, we do not have our logo “” registered under the Trade Marks Act, 1999, and consequently do not enjoy the statutory protections accorded to a trademark registered in India. Though our promoter company “Bedmutha Sons Realty Ventures Pvt. Ltd” has made an application for registration, the registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our logo is registered, we may only get passing off relief for our marks if used by others, which could materially and adversely affect our brand image, goodwill and business.

19. All our current manufacturing facilities are geographically located at one place, i.e. Nashik and the loss or shutdown of operations at the facility could have a material adverse effect on us

All our existing manufacturing facilities are based in Nashik. As a result, any local social unrest, natural disaster or break down of services and utilities in that area could have material adverse effect on the business, financial position and results of operation of our Company.

20. Our insurance cover may not adequately protect us against all material hazards

We have various insurance policies covering stocks, building, furniture, plant and machinery, etc. for total insured amount of Rs. 9045.96Lacs, details of which are disclosed on page no. 100 of this RHP. We believe that we have insured ourselves against the majority of the risks associated with our business. Our significant insurance policies provide cover for risks relating to physical loss, theft or damage to our assets, as well as business interruption losses. While we believe that the policies that we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance (either in amount or in terms of risks covered) to cover all material losses. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and, as a result, our results of operations and financial condition could be adversely affected.

21. Any failure to keep abreast with the latest trends in the technologies may adversely affect our cost competitiveness and ability to develop new products

The market we operate in is characterized by rapid technological change, evolving industry standards, and new product and service introductions. Our future success will depend on our ability to anticipate these advances and develop new product to meet client needs. We may not be successful in anticipating or adequately responding to these advances in a timely basis, or, if we do respond, product we develop may not be successful in the marketplace. Further, products that are developed by our competitors may



render our offerings non-competitive or force us to reduce prices, thereby adversely affecting our margins.

22. *Our business requires a number of statutory and regulatory permits and licenses as required to operate our business and any delay or inability to obtain or renew the same in a timely manner may have an adverse impact on our business*

Being a manufacturing organization, we require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals periodically. There can be no assurance that the relevant authorities will issue such permits or approvals to our Company or that they will issue in time. Further, these permits, licenses and approvals are subject to several conditions and our company cannot assure that it shall be able to continuously meet the conditions and this may lead to cancellation, revocation or suspension of relevant permits / licenses / approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals may result in the interruption of our Company's operations and may have a material impact on our business.

For further details please refer to the section titled "Government Approvals and Licensing Arrangements" beginning on page no. 236 of this RHP.

23. *Our Project is dependent on performance of external agencies. Any non performance by these agencies may result in incremental cost and time overruns of the Project and in turn could adversely affect our business operations and profitability*

Our new Project is dependent on performance of external agencies, which are responsible for construction of buildings, installation and commissioning of plant & machinery and supply & testing of equipments. We cannot assure that the performance of external agencies will meet the required specifications or performance parameters. If the performance of these agencies is inadequate in terms of the requirements with respect to timeline and quality of performance, we may require to replace these external agencies which could result in incremental cost and time overruns of the Project, and in turn could adversely affect our business operations and profitability.

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

We are highly dependent on the senior management of our Company. Our future performance will be affected by the lack of continued service of these persons. We do not maintain key man life insurance for any of the senior members of our management team or other key personnel. Competition for senior management in our industry is intense, and we may not be able to retain such senior management personnel or attract and retain new senior management personnel in the future. The loss of any of the members of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

25. *We may be subject to industrial unrest, slowdowns and increased labour costs. In the event of any industrial unrest, slowdowns or increase labour cost may materially and adversely impact our operations and financial condition*

Our Company has 220 permanent employees. In addition, we also hire contract labour on our project sites to meet our project requirements. While we believe that we maintain good relationships with our employees and contract labour, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may materially and adversely affect our business and results of operations. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers during employment and upon retrenchment. Under Indian law, workers also have a right to establish



trade unions. Our employees are currently unionised and if we experience unrest or slowdowns, it may become difficult for us to maintain flexible labour policies and we may experience increased wage costs and employee numbers. We also depend on third party contractors for the provisions of various services associated with our business. Such third party contractors and their employees/workmen may also be subject to these labour legislations. We have not experienced any industrial unrest for last 10 years. Any industrial unrest, slowdowns which our third party contractors may experience could disrupt the provision of services to us and may materially and adversely impact our operations and financial condition.

26. Our ability to pay dividends will depend upon earnings, financial condition, cash flows, working capital requirements, lender's approvals and other factors

Our company has paid dividend of 10% for the past three years. However, the amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lenders' approvals and other factors. There can be no assurance that we shall have distributable profits or that we will declare dividends in the future. Additionally, the terms and conditions of any financing we obtain in the future, may include restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

27. The valuation of our equity investment in our subsidiary viz; Kamalasha Infrastructure & Engineering Private Limited (KIEPL) is not done by any independent valuer.

We are holding 5,42,000 equity shares of Rs. 10/- each consisting of 54.75% of the paid-up capital of KIEPL. Our investment in KIEPL is at par and has not been valued by any independent valuer.

EXTERNAL RISK FACTORS

28. The plant & Machinery proposed to be purchased include those, which need to be imported and any fluctuation in exchange rate may have an adverse impact on the cost of the same

While our revenues are denominated in Rupees, we have entered into certain agreements for purchasing machinery, and may enter into additional agreements in the future including purchase of machineries denominated in foreign currencies, that require us to bear the cost of adverse exchange rate movements. In particular, we have entered into purchase agreement of machinery with M.F.L. S.A. Luxembourg (Switzerland) for the production of LRPC Wires on a credit basis. Any fluctuation in the value of the Rupee against the currencies may affect the Rupee cost and expose us to exchange risk. While depreciation of the Rupee against foreign currencies may impact our results of operations and financial condition it may also increase cost of machinery. For details pertaining to the plant and machineries proposed to be imported by us please refer to the 'Imported Machineries' on page no. 57 of this RHP.

29. Changes in product preferences of customers could adversely affect the Company's results of operations and financial condition

Evolving industry standards, changing customer preferences and new product introductions have an important bearing on the Company's business. The Company's success depends on its ability to keep pace with these changes. The Company may not successfully address these developments on a timely basis, and even if addressed, the Company's products may not be successful in the market place. In addition, products developed by competing companies may make the Company's products less competitive. Additionally, there can be no assurances that current customers of the Company will continue to use products manufactured by the Company in future or that current customers will continue to use our products at all in future. In the event of changes in customer preferences not envisaged by the Company, it may have to alter or modify its production processes, invest in new capacities and/or alter its marketing and distribution strategies, any or all of which may involve significant investment of capital and management resources, which, in turn, could hamper the ability of the Company to meet its present growth objectives.



30. *Instability in Indian financial markets could adversely affect the Company's results of operations and financial condition*

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America, Europe or China, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The recent global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, has led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on the Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

31. *Global economic, political and social conditions may affect our ability to do business, increase our costs and negatively affect our stock price*

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, consumer credit availability, consumer debt levels, tax rates and policy, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude.

32. *Political instability or changes in the Indian central government could adversely affect our business*

We are incorporated in India, derive our revenues from operations in India and all of our assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

The central government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. The current government has announced that its general intention is to continue India's current economic and financial sector liberalization and deregulation policies.

However, there can be no assurance that such policies will be continued, and a significant change in the government's policies could affect business and economic conditions in India, and could also adversely affect our financial condition and results of operations.

Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

33. *Terrorist attacks, war, natural disaster or other catastrophic events may disrupt or otherwise adversely affect the markets in which we operate our business and therefore, our profitability*

Our business may be adversely affected by a war, terrorist attack, natural disaster or other catastrophe. A catastrophic event could have a direct negative impact on us or an indirect impact on us by, for



example, affecting our customers, the financial markets or the overall economy. In recent times, terrorist attacks in India have become more prevalent. Such attacks may have a material adverse effect on the Indian and global financial markets. Any deterioration in relations of India with its neighboring countries may result in actual or perceived regional instability. Events of this nature in the future could have a material adverse effect on our ability to develop our operations. As a result, our business, prospects, results of operations and financial condition could be materially adversely affected by any such events.

34. 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 our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop. The prices of our Equity Shares on the Stock Exchanges may fluctuate as a result of several factors, including:

- Volatility in the Indian and global securities market;
- Our results of operations and performance, in terms of market share;
- Performance of the Indian economy;
- Changes in Government policies;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Changes in the applicable tax incentives;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

PROMINENT NOTES

1. Investors may contact the BRLMs or the Compliance Officer for any complaint/clarification / information pertaining to the issue. For contract details of the BRLMs and the Compliance Officer, please refer to the Chapter titled "General Information" beginning on page no. 22 Of this Red Herring Prospectus.
2. Issue of 90,00,000 Equity Shares of Rs. 10/- each for cash at a price of Rs. [•] per Equity Share aggregating to Rs. [•] Lacs (hereinafter referred to as The "Issue"). The Issue would constitute 42.80 % of the fully diluted Post Issue Paid-Up capital of our Company.
3. The pre-issue net worth of our Company as per our restated audited financial statements is as follows

(Rs in lacs)

Standalone		Consolidated	
March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
1,842.17	2,624.20	1,841.98	2,650.76

4. The average cost of acquisition Per Equity Share by our Promoters, is as under:

Name of the Promoter	Average Cost (Rs.)
Mr. K R.Bedmutha	4.54
Mr. Vijay Vedmutha	13.47
Mr. Ajay Vedmutha	6.12
Mrs. Usha V. Vedmutha	4.06
Bedmutha Sons Realty Ventures Pvt. Ltd.	2.63

5. Book value per Equity Shares (of face value Rs.10/-) of our Company, as per our restated audited financial statements is as follows:

(Rs.)

Standalone		Consolidated	
March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
15.36	21.82	15.36	22.16



6. Trading in equity shares of our Company for all the investors shall be in dematerialised form only.
7. Other than stated under the head “Capital Structure” beginning on page no. 33 of this RHP, our company has not issued any shares for consideration other than cash.
8. For details on Related Party Transactions refer to the chapter titled “Related Party Transactions” page no 191 of this RHP.
9. There are no contingent liabilities as on March 31, 2010 except as mentioned in Annexure XI-A. Beginning on Page no. 183 under Chapter titled “Auditors’ Report and Financial Information of our Company” in this Red Herring Prospectus.
10. None of our Promoters, Promoter Group Entities, Directors or the relatives thereof have financed the purchase of the Equity Shares of our Company, by any other person or entity during the period of six months immediately preceding the date of filing the Red Herring Prospectus with SEBI.
11. Our Company has changed its name during the last one year from Bedmutha Wire Company Limited to Bedmutha Industries Limited. However the new name does not suggest any change of activity and company continues to carry on the same activity.
12. All information shall be made available by the BRLMs 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.
13. Investors are advised to refer to the paragraph on “Basis of Issue Price” on page no. 64 of this RHP before making an investment in this Issue.
14. Investors are advised to go through the paragraph on “Basis of Allotment” beginning on page no. 281 of this RHP.
15. In the event of the Issue being oversubscribed, the allotment 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 281 of this RHP.
16. Our promoters, their relatives and associates, promoter group and our directors have not entered into any transactions in our Equity Shares directly or indirectly past six months except as are mentioned under notes to the capital structure beginning on page no 49 of this Red Herring Prospectus
17. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report on Page no. 191 of this Red Herring Prospectus.
18. No part of the Issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associate or Group Company.
19. Our Company and the BRLMs will update the Offer Document in accordance with the Companies Act and the SEBI (ICDR) Regulations, 2009 and our Company and the BRLMs will keep the public informed of any material changes relating to our Company till the listing of our shares on the stock exchanges.



PART I

SECTION II – INTRODUCTION

*This is only a summary and does not contain all information that you should consider before investing in our Equity Shares. The data may have been re-classified by us for the purpose of presentation. Further, the industry data mentioned herein are not from a commissioned report. Neither we nor any other person connected with the Issue has verified the information provided in this chapter. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. For more details see “**Industry Overview**” on page 74. Further 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 144 respectively of this RHP, before deciding to invest in our Equity Shares.*

SUMMARY OF INDUSTRY

STEEL INDUSTRY

Introduction

Steel is an internationally traded commodity. Steel is essential to economic growth, playing a central part in infrastructure, transport, energy delivery, housing and construction, and key consumer goods.

Steel is an alloy consisting mainly of iron and other elements such as carbon, manganese, chromium, vanadium, and tungsten. By suitably modifying the properties of steel such as hardness, ductility, tensile strength and resistance to rust, it is possible to produce steel of varying qualities and in varying forms such as billets, rods, wires, sheets, tubes and others. The steel of varying qualities and forms then finds applications for different uses. Global supply and demand together with pricing dynamics have a significant impact on Indian steel markets. Steel is a cyclical commodity, and increases in production capacities follow increase in demand. Increase in demand cause producers to increase utilization levels of existing capacities, and can lead to increase production capacity. Additional capacities become operational after a gestation period that may last from 15 to 24 months, thereby causing a lag effect between demand and supply and cyclicity in prices.

World Steel Sector

The global scenario for the metal and mineral sector has witnessed a significant upsurge over the last decade, nearly doubling production from 789 Million Tons (MnT) in 1999 to 1,327 Million Tons (MnT) in 2008, and to 1,227 Million Tons (MnT) in 2009. This growth in steel production has been primarily driven by tremendous growth for steel demand in China, India and other developing economies.

Based on the expected growth rate and consumption patterns in sectors such as construction, automobile, infrastructure, capital goods, it is expected that demand for steel will continue to be led by China in the near future while India will also follow closely. A tabular presentation of production of steel and steel products including ingots, semi-finished products, hot-rolled and cold-finished products, tubes, wire, and un-worked castings and forgings is illustrated below. The table comprises the exports of 37 countries, which represents approximately 90% of total world trade in 2008.



	2004	2005	2006	2007	2008
Ingots and semi-finished material	58.9	59.5	62.5	62.4	62.6
Railway track material	2.4	2.4	2.6	3.1	3.3
Angles, shapes and sections	19.4	18.5	21.0	26.3	24.1
Concrete re-inforcing bars	15.9	17.9	18.0	21.1	26.1
Bars and rods, hot-rolled	9.9	10.2	11.8	15.1	16.8
Wire rod	20.6	19.8	23.0	22.8	21.9
Drawn wire	5.5	5.4	6.1	6.8	7.0
Other bars and rods	4.8	4.9	5.7	6.5	6.0
Hot-rolled strip	3.2	3.3	4.1	4.6	3.6
Cold-rolled strip	4.5	4.5	4.9	5.1	3.9
Hot-rolled sheets and coils	55.0	53.3	62.9	62.0	60.8
Plates	24.1	26.2	31.7	37.8	38.1
Cold-rolled sheets and coils	31.2	30.2	32.9	29.9	29.5
Electrical sheet and strip	3.7	3.7	3.8	4.1	4.2
Tinmill products	6.5	6.0	6.0	6.3	6.1
Galvanised sheet	26.8	25.6	30.4	32.1	29.8
Other coated sheet	7.4	7.3	8.6	9.7	10.9
Steel tubes and fittings	28.2	31.0	36.7	33.9	35.4
Wheels (forged and rolled) and axles	0.4	0.4	0.5	0.2	0.5
Castings	0.9	0.9	0.9	1.1	0.9
Forgings	1.1	1.0	1.1	1.3	1.2
Other	0.0	0.0	0.0	0.0	0.0
Total	330.1	332.2	375.4	392.1	392.5

(Source: World Steel Association, World steel in figures 2010: www.worldsteel.org)

Indian Steel Sector

As per official estimates, the Iron and Steel Industry contributes around 2% of India's Gross Domestic Product (GDP) and its weight in the Index of Industrial Production (IIP) is 6.20%. From a once negligible global presence, the Indian steel industry is now acknowledged for its product quality, demonstrated by trends of rising exports.

In addition to maintaining its position as the third-largest producer of crude steel in the world in 2009, India remains the world's largest producer of direct reduced iron (DRI) or sponge iron with nearly 20.8 MnT and of pig iron with 543.7 MnT in 2009. According to the Ministry of Steel, India is likely to achieve a steel production capacity of nearly 124 MnT by the year 2011-12. The steel sector is expected to generate additional employment of around 4 million by 2020 for production of around 295 MnT of crude steel. More than two hundred Memorandum of Understanding (MOU) have already been signed with various States for a planned capacity of around 276 MnT.

In 2008-09, crude steel production reached 54.52 MnT, a growth of 1.23% over the previous year, with capacity utilization at 89%. This growth was driven by both capacity expansion (from 47.99 MnT in 2004-05 to approximately 64 MnT in 2008-09) and improved capacity utilisation. Crude steel production grew at more than 9% annually from 38.72 MnT in 2003-04. Production for sale of total finished steel was at 56.39 MnT in 2008-09, a growth of 0.6% as compared to last year. As against 40.71 MnT in 2003-04, an average annual growth of 7.3% was registered.



The steel industry in India has successfully overcome the adverse effects of the global economic slowdown to register a positive growth in the January-March quarter of 2009. In fact, India and China are the only countries to have registered positive growth in steel production in the January-March quarter of 2009. The financial year 2009-10 for the Indian steel sector has begun on a promising note, with production growth estimated at least in the range of 5-7%.

(Source: Ministry of Steel (Annual Report 2009-2010))

Production, Consumption and Growth of Steel

The National Steel Policy 2005 had projected consumption to grow at 7% based on a GDP growth rate of 7-7.5% and production of 110 MnT by 2019-2020. These estimates will be largely exceeded and it is envisaged that in the next five years, demand will grow at a considerably higher annual average rate of over 10% as compared to around 7% growth achieved between 1991-92 and 2005-06. It has been assessed that, on a "most likely scenario" basis, steel production capacity in India by the year 2011-2012 will be nearly 124 MnT. If proposed expansion plans are implemented as per schedule, India may become the second largest crude steel producer by 2015-16.

The table below shows the trend in production for sale, import, export and consumption of total finished steel (alloy and non-alloy) in the country in the last six years:

Year	Total finished steel (alloy + non-alloy) ('000 tonne)			
	Production for sale	Import	Export	Consumption
2004-05	43513	2293	4705	36377
2005-06	46566	4305	4801	41433
2006-07	52529	4927	5242	46783
2007-08	56075	7029	5077	52125
2008-09	57164	5841	4437	52351
Apr-Dec 2009-10*	43849	5210	2099	40997
Source: JPC; * =Provisional				

(Source: Ministry of Steel, Annual Steel Report 2009-10)

STEEL WIRE INDUSTRY

Global Steel Wire Industry

Steel wire industry is closely linked to the infrastructural development of any country. The major consumers of steel wires and wire products are railways, electricity boards, construction sector and automobile industry. Globally, the industry is much unorganized, with big players concentrating on the wire rods segment and the smaller players involved with the manufacture of wires and wire products. Globally steel wires consumption account for about 65 mn tones i.e. 5% of the total steel production of 1.3 bn tones. North America, Europe and South East Asia each account for approximately 25% of the global demand for the steel wires.

The global steel wire market is expected to grow to approximately 54 MnT of wires by 2010, valued at US\$ 25 billion. North America, Europe and South East Asia each account for approximately 25% of the global demand for steel wires. India's steel wire industry growth is driven mainly by the infrastructure and automobile sectors.

(Source: Steel Wire Manufacturers Association of India)

Indian Steel Wire Industry

Established in the 1920s, India's steel wire industry has achieved a wide product range of various types of high carbon, alloy steel and special steel wires, in addition to mild steel wires, while meeting the requirements of numerous consuming sectors. This sophistication has been possible due to continuous and



well-planned R&D efforts on the part of manufacturers. The result has been that the industry is in a position to manufacture steel wires and supply them to both domestic and international markets, in accordance with ASTM, DIN, JIS, BSS and ISS, among others.

Economic reforms introduced since 1991 aimed at deregulating the productive sectors of the economy and opening the Indian economy to global competition have ushered in far-reaching changes in the growth of the steel wire industry. As a result, the product range of steel wire manufacturers is widening continuously.

The industry underwent a major change over the recent years. Many non-performing & small Steel Wire Drawing Units were closed down. This in-turn increased the efficiency of the industry as can be seen in the table below:

(In million tonnes)

	Numbers	Capacity
Total Units	100	1.44
Closed Units	65	0.73
Working Units	35	0.71

(Source: Ministry of Steel, Annual Report 09-10)

The production of Steel Wire Drawing Units has shown a steady increase over the past 5 years as is evident from the table below:

(in million tonne)

Category	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10* (April-December 2009)
Mild steel	0.16	0.08	0.07	0.13	0.16	0.12
Medium/ high carbon Steel	0.17	0.20	0.18	0.17	0.19	0.15
Alloy steel	0.08	0.04	0.04	0.04	0.07	0.05
Stainless steel	0.01	-	-	-	-	-
Others	0.04	0.17	0.14	0.12	0.17	0.14
Total reported	0.39	0.49	0.43	0.46	0.47	0.37
Total estimated	0.03	0.01	0.11	0.10	0.12	0.09
Grand total	0.42	0.50	0.54	0.56	0.59	0.46

**Provisional*

(Source: Ministry of Steel, Annual Report 2009-10)

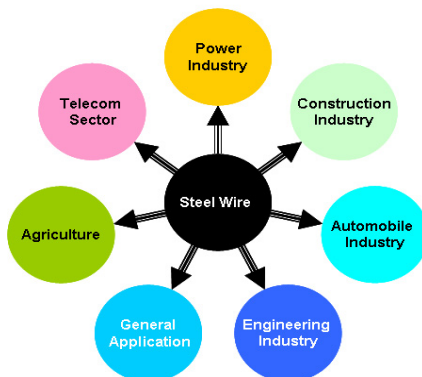
Application of Steel Wire and Wire products:

Steel wire has many applications. Steel wire in all its variants and alloy finds application in Power, Automobile, Engineering, Construction and other sectors. Steel wire and its allied products find application in the some of the industry:

1. Automobile Industry
2. Construction Industry
3. Power Industry
4. Engineering Industry
5. General Application
6. Railways etc
7. Others.



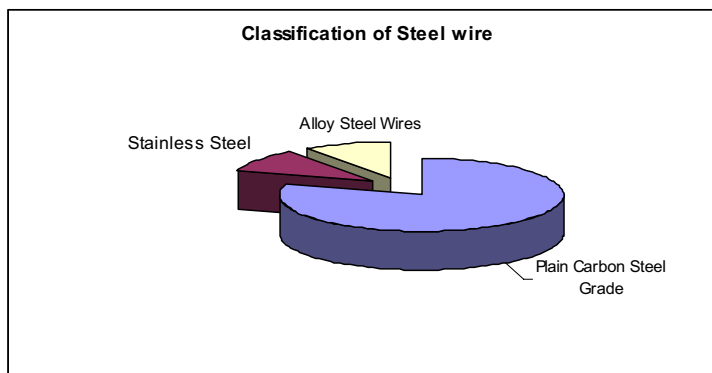
Application of Steel Wire



The steel wire grades are classified into Plain Carbon steel wire, Stainless steel wire and Alloy Steel wire grades.

Classification of the steel wire grade:

The steel wire grades are classified into Plain Carbon steel wire, Stainless steel wire and Alloy Steel wire grades.



Source: Steel Wire Manufacturers Association of India (SWMAI)

Industry Outlook

With the increased demands from user industries, the wire and wire products sector in India is expected to witness a robust growth. However, the raw material prices coupled with expected economic slowdown, could consolidate the market space further, as the large and medium players with backward integration may survive. However, the branded value added wire segment is expected to improve, in terms of market share, in the coming years.



SUMMARY OF BUSINESS

Business Overview

We are one of the leading steel wire manufacturers in western India located in Nashik. Mr. Kachardas R. Bedmutha is the founder of Bedmutha Industries Limited (formerly known as Bedmutha Wire Company Limited) having experience in this business for over three decades. Our Company started its commercial production in the year 1992, by setting up first Galvanized Wire plant at Nashik with an installed capacity of 3600 MTPA. Over the years our company has enhanced capacities from 3600 MTPA to 26050 MTPA by setting up three more Galvanizing lines at the existing location. Subsequently our company consolidated the group's activity in this sector through a Scheme of Arrangement in the year 2008 and brought all the wire and wire product businesses under Bedmutha Industries Limited. Today we operate four manufacturing units in and around Nashik and they are strategically located in proximity to the source of raw materials and markets ensuring cost savings and logistic benefits. We have a total capacity of 60000 MTPA.

Our Company has wide range of wire and wire products - Galvanized wires, Cable Armour Wires, ACSR Wires, Wire Nails, Earth Wires, Stay Wires, Spring Steel Wires, Barbed Wires, etc. Our products are used in various areas such as roads, bridges, flyovers, power, automobile, engineering, agriculture, railways and defence. Our products are approved by Bureau of Indian Standards, Power Grid Corporation and State Electricity Boards. Two of our plants (Plant 1 manufacturing galvanized wires and Plant 2 manufacturing Binding Wire, PC Wire and Spring Steel Wire) are certified under ISO 9001 from Bureau Veritas Certification (India) Private Limited.

Our main manufacturing facility and marketing set up is established at its registered office at Sinnar Nashik. We are also utilizing offices of few of our group companies for marketing at various locations all over India which includes Mumbai, Nashik, Pune, Nagpur, Ahmedabad, Baroda, Bangalore, Lucknow, Haridwar, Gwalior, New Delhi, Indore, Angul (Orissa) to sell our products. Our Company offers a range of steel wire products to domestic manufacturers and dealers. With the help of marketing team, we keep ourselves updated about market demand & consumer requirements.

We have promoted Kamalasha Infrastructure & Engineering Private Limited (KIEPL) which is our subsidiary, for implementation of turnkey contracts for infrastructure namely in power, roads, railways etc. KIEPL has been awarded a sub-contract of Rs 6000.00 lacs in Dharangaon Division of Maharashtra State Electricity Distribution Company Limited (MSEDCL). This job includes preparation of new sub-stations, augmentation in old sub-stations, laying of 33KV and 11KV lines approximately 600 kms, installing around 500 Distribution Transformers (DTC) etc. This subsidiary offers a direct synergy in terms of consuming GI Wire, Stay Wire from our wire unit and also offers an indirect synergy by consuming PSC Poles, cables, conductors which consumes wire produced by our company.

We have also invested 49% in Ashoka Pre-con Private Limited (APPL) in the year 2008 along with Ashoka Buildcon Limited, to manufacture pre stress concrete products such as cement poles, RCC pipes, Cement Piles, railway sleepers etc. APPL has commenced commercial production and has begun supplying electrical cement poles for the infra projects launched by MSEDCL. This investment offers a direct synergy in terms of consuming GI Wire, MS Wire and PC Wire from our wire unit.

We are also pursuing initiatives for setting up galvanizing plant with latest technology with capacity of 48000 TPA and manufacturing of Aluminum rods and conductors with capacity of about 42000 TPA. We have been granted status of "Mega Project" under the package scheme of incentives by Government of Maharashtra.



Our Competitive Strengths

Operating track record in the steel wire and wire products business

We have an operating track record of over 19 years in the steel wire business. Our Chairman, Mr. Kachardas R. Bedmutha, technically qualified engineer is actively involved in the business and management of our Company and also has over three decades of experience in the wire industry. Our extensive experience in the wire industry enables us to gauge and understand the changing trends and growth prospects in the industry.

Experienced Management Team

We believe that employing and retaining individuals with experienced backgrounds has enabled us to capitalize on their collective expertise in understanding this business and ensuring our growth. We are led by a management team with sound experience and expertise in the wire industry. Our promoters are qualified engineers and are actively involved in the day to day management of our business operations. The operations and corporate decisions are looked after by Mr. Vijay K. Vedmutha, Managing Director. Mr. Vijay K. Vedmutha is a qualified Engineer in Industrial Production with a Masters in Business Administration in Finance and has over 20 years of experience in the wire and related industry. Mr. Ajay Vedmutha, Jt. Managing Director of our Company is also a qualified Mechanical Engineer with 18 years of experience in the industry. Besides the promoters our company is ably assisted by senior professionals in areas of Production, Marketing, Administration and Finance.

Wide range of quality products in the wire industry

Our company manufactures wide range of products in the wire industry from MS wires to Grade 3 Spring wires both coated and uncoated. Our range of products includes Galvanized Steel & M.S. Wire, Cable Armour, Aluminum Conductor Steel Reinforced Wire, Stay Wires, Annealed/Binding Wires, High Carbon Rope Wires etc. Our Company has recently also started focusing on the wire requirements of the infrastructure industry and is developing capacities and products to meet the growing demand in this sector. In recognition of our quality standards, our products have been certified by the Bureau of Indian Standards and our two facilities are certified under ISO 9001 from Bureau Veritas Certification (India) Private Limited. Our products are registered and approved with various public sector undertakings such as Power Grid Corporation, MSEDCL, GEB, MPSEB.

Participation in infrastructure projects

Our Company has taken a conscious decision to develop and manufacture products required by the infrastructure sector. To this end our company has promoted Kamalasha Infrastructure & Engineering Private Limited (KIEPL) which is our subsidiary, for implementation of turnkey projects in power, roads, railways etc. KIEPL has already been awarded a sub-contract of Rs 60 crores in Dharangaon Division of Maharashtra State Electricity Distribution Company Limited (MSEDCL).

Both the above investments will enable our company to participate in large infrastructure projects and contracts/tenders. It also gives our wire manufacturing business a continuous flow of orders and keeps us abreast of the developments in the infrastructure sector.

Established Marketing and Selling Arrangements

Our Company has a well established dealer network and selling agents to service the agriculture sector requirement spread across the grape and vegetable growing areas namely Nashik, Sangli, Solapur, Bijapur, Pune, Bangalore and Hyderabad. Our Company sells directly to Original Equipment Manufacturers (OEMs) for its other range of products such as cable wires, ACSR core wire, cable armoured wires, spring steel wires, PC wires etc. The entire sales is carried out through the various locations all over India which includes



Mumbai, Nashik, Pune, Nagpur, Ahmedabad, Baroda, Bangalore, Lucknow, Haridwar, Gwalior, New Delhi, Indore, Angul (Orissa). Some of our valued customers are Sterlite Industries Limited, Apar Industries Limited, Finolex Cables, RPG Cables, Universal Cables, Ravin Cables, Suprajit Industries, Godrej Boyce, GTL Infrastructure, Ashoka Buildcon Limited, MSEDCL, GEB, MPSEB.

Our Company is an active participant in tenders floated by Central and State Government Undertakings and Corporate customers for supply of wire and wire products. We have supplied products to various State Electricity Boards / Distribution Corporations, such as Maharashtra State Electricity Board, Gujrat State Electricity Board, Rajasthan State Electricity Board, Punjab State Electricity Board & Jaipur Vidyut Vitran Nigam Limited. Till date we have executed/ participated in 118 contracts. For details of some of the major past government contracts where we had participated and were awarded/ executed the same please refer Page No. 93 of RHP:

Location Advantages

Our Company's plants are located in the Industrial Estate at Sinnar, Nashik which is well connected by road and rail and is in close proximity to major Indian ports at Mumbai and Nhava Sheva. This facilitates efficient movement of raw materials and finished products. Our location also helps us to service wide array of customers

Tax Incentives

Our company enjoys an advantage due to the Sales Tax Benefits under the Maharashtra State Government Package Scheme of Incentives. The Sales Tax Benefits are applicable to our company up to the year 2015. With the expansion we will have the extended benefit on sales tax up to the year 2017.

The expansion being undertaken will fall under the Maharashtra Government's package scheme of incentives 2007 wherein we will be enjoying Sales Tax incentive maximum to the extent of capital expenditure incurred or for a maximum period of 7 years from the date of commercial production, whichever is earlier by way of refund of MVAT.



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 2009 and restated as described in the Auditor's Report of our statutory in the section titled "Financial Information" of this RHP. You should read this financial data in conjunction with our financial statements for year ended March 31, 2006, 2007, 2008, 2009 and 2010 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 pages 144 and 217 respectively

STANDALONE SUMMARY OF ASSETS & LIABILITIES AS RESTATED

(Rs. in Lacs)

Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
A. Fixed Assets					
Gross Fixed Assets	5328.58	3,986.58	3,136.69	1,278.98	1,087.12
Less : Accumulated Depreciation	1,986.13	1,607.06	1,377.43	713.19	628.64
Net Fixed Assets	3342.45	2,379.51	1,759.26	565.79	458.48
Less:- Revaluation reserves	28.39	37.89	47.39	-	-
Net Fixed Assets After Revaluation Reserves	3314.06	2,341.62	1,711.87	565.79	458.48
Capital Work in Progress	252.35	-	33.72	40.72	17.65
Total Fixed Assets	3566.41	2,341.62	1,745.59	606.50	476.13
B. Investments	211.19	19.26	16.58	10.77	2.46
C. Current Assets, Loans & Advances					
Sundry Debtors	3,369.35	2,165.74	1,755.31	1,152.69	1,102.14
Cash and Bank Balances	463.13	683.46	478.21	351.17	135.72
Other current assets	1,148.26	536.61	461.69	208.99	222.26
Loans and Advances	2,241.73	867.72	589.98	355.50	174.76
Inventories	4,124.81	1,611.97	1,918.68	1,199.12	1,215.44
Total (C)	11,347.28	5,865.49	5,203.86	3,267.47	2,850.33
D. Liabilities & Provisions					
Secured loans	7,149.54	3,815.54	3,646.57	2,390.09	1,685.61
Unsecured loans	1,057.33	918.87	806.09	470.07	469.61
Deferred Tax Liability (Net)	315.69	220.14	121.85	64.54	60.25
Current Liabilities	3,470.30	1,047.97	978.90	194.30	314.29
Provisions	507.82	381.68	115.46	25.02	53.50
Share Application Money Pending allotment	-	-	-	-	-
Total (D)	12,500.68	6,384.19	5,668.87	3,144.02	2,583.26
E. Net Assets (C-D)	(1,153.40)	(518.70)	(465.00)	123.45	267.07
F . Net Worth (A + B + E)	2624.20	1,842.17	1,297.17	740.73	745.66
Represented by					
Equity Share Capital	1,202.74	899.58	899.58	334.95	334.95
Reserve & Surplus	1663.66	1,044.31	455.69	411.51	423.02



Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Less : - Revaluation reserves	28.39	37.89	47.39	-	-
Total	2838.01	1,906.00	1,307.87	746.46	757.97
Less : - Miscellaneous Expenditure not w/off	213.80	63.82	10.70	5.73	12.31
G . Net Worth	2624.20	1,842.17	1,297.17	740.73	745.66

Note : The above statement should be read with the notes on adjustment and significant accounting policies for restated financial statements as representing in Annexure IV-A to the Report


STANDALONE SUMMARY OF PROFIT & LOSS AS RESTATED
(Rs. in Lacs)

Particulars	For the year Ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Income					
Sales & Operating Incomes					
- Manufactured Goods	13,855.53	13,097.59	7914.76	5964.23	4495.80
- Traded Goods	1,094.84	1,581.34	3,539.48	1,287.33	471.15
Export Sales	-	-	-	-	
Other Income	31.10	6.46	71.80	0.59	9.31
Increase/(Decrease) in Inventory	1,202.11	480.72	(23.14)	(134.16)	316.22
Total Income	16,183.58	15,166.11	11,502.91	7,117.99	5,292.48
Expenditure					
Raw Material Consumed	10,615.65	9,782.55	5,249.04	4,173.40	3,393.11
Cost of Traded Goods	1,026.74	1,466.65	3,440.13	1,240.40	469.51
Manufacturing Expenses	1,219.12	1,133.07	977.31	684.51	657.58
Payment & Provision for Employees	366.72	197.74	287.50	159.26	154.68
Administrative and Other Expenses	108.10	96.38	157.08	110.06	84.56
Miscellaneous Expenditure W/off	45.00	17.94	2.91	6.57	6.31
Selling and Distribution Expenses	308.77	276.49	254.72	376.01	167.21
Finance Cost	668.97	427.70	437.51	247.49	153.03
Loss on Sale of Investment / Asset	-	10.84	-	-	-
Depreciation & Amortisation	369.56	264.44	216.25	84.55	79.40
Forex (Gain) / Loss	(71.35)	415.27	(2.66)	(23.51)	(4.27)
Total Expenditure	14,657.28	14,089.08	11,019.80	7,058.73	5,161.11
Profit for the Period	1,526.30	1,077.03	483.11	59.26	131.36
(Add) / Less : Prior Period Items	-	-	0.20	0.23	101.87
Profit Before Tax	1,526.30	1,077.03	482.90	59.03	29.49
(Add) / Less : Provision for Tax					
Provision For Income Tax	435.00	271.56	51.54	24.65	26.00
Fringe Benefit Tax	(0.47)	4.26	6.00	3.30	4.50
Wealth Tax	-	-	-	-	-
Deferred Tax Liability	95.55	98.29	64.42	4.29	(24.62)
Profit After Tax	996.22	702.93	360.94	26.78	23.61
Balance brought forward from previous year	977.25	379.12	148.60	160.11	136.50
Net Profit Available for Appropriation	1973.47	1,082.05	509.54	186.89	160.11
(Add) / Less : Appropriation					
Proposed Dividend on Equity Shares	60.14	89.96	33.44	33.48	-
Tax on Dividend	10.67	14.84	5.69	4.81	-



Particulars	For the year Ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Transfer to General Reserves		-	-	-	-
Capitalized during the year for Bonus Shares	300.69	-	92.04	-	-
Addition on Amalgamation		-	(0.75)	-	-
Balance carried forward as restated	1601.97	977.25	379.12	148.60	160.11

Note : 1. The above statement should be read with the notes on adjustment and significant accounting policies for restated financial statements as representing in Annexure IV-A to the Report


STANDALONE SUMMARY OF CASH FLOW AS RESTATED

(Rs. in Lacs)

Particulars		As at				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
A	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit Before Tax and Extra Ordinary items	1,526.30	1,087.88	482.90	59.03	29.49
	Adjustment For					
	Add: Depreciation	369.56	264.44	216.25	84.55	79.40
	Preliminary Expenses written off	-	-	-	-	-
	Prior Period Expense				-	-
	Pre paid Expenses			-	-	-
	Pre-operative Expenses written off	-	-	-	-	-
	Miscellaneous Expenses written off	45.00	17.94	2.92	6.57	6.31
	Interest (net)	668.97	427.70	437.51	247.49	153.03
	Operating Profit Before Working Capital Changes	2,609.83	1,797.96	1,139.59	397.64	268.23
	Adjustment for working capital changes					
	Income Tax (Paid) / Refund	5.35	-	-	-	-
	TDS Paid	(273.10)	(72.76)	(39.59)	(16.99)	(15.12)
	TDS Paid Prev Year	(201.19)	(18.55)	(6.53)	(21.58)	(1.87)
	(Increase) / Decrease in Trade & Other Receivables	(1,203.61)	(410.43)	(515.23)	(50.55)	(255.03)
	(Increase) / Decrease in Advance to Suppliers / Creditors	-	-	-	-	-
	(Increase) / Decrease in Other Current Assets	(416.68)	(58.63)	(91.19)	(4.59)	(57.61)
	(Increase)/Decrease in Misc Exp Assets	(194.98)	(71.06)	(7.89)	-	
	Increase / (Decrease) in Trade Payable	2,369.30	27.80	534.07	(135.37)	(69.96)
	Increase/(Decrease) from Customers	-	-	-	-	-
	Increase/(Decrease) in Outstanding Expenses	53.03	41.27	103.31	15.38	11.72
	(Increase) / Decrease in Loans and Advances	(1,374.02)	(277.74)	(186.52)	(180.73)	(102.11)
	(Increase) / Decrease in Inventories	(2,512.84)	306.71	(389.01)	16.32	(672.52)
	Working capital changes	(3,748.72)	(533.39)	(598.58)	(378.11)	(1,162.50)
	Adjustment for Extra Ordinary Transactions					
	Loss on Sale Of Investment	-	(10.84)	-	-	-
	Net Cash used / generated for / from Operations	(1,138.89)	1,253.73	541.01	19.53	(894.27)
B	CASH FLOW FROM INVESTING ACTIVITIES					



Particulars		As at				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Purchase of Fixed Assets / Capital Work In Progress	(1,609.35)	(954.61)	(957.22)	(214.93)	(42.62)
	Investments made	(194.88)	(13.51)	20.73	(8.31)	(1.00)
	Sale/Discarding of Fixed Assets	2.95	104.73	-	-	-
	Net Cash used in Investing Activities	(1,801.28)	(863.39)	(936.49)	(223.24)	(43.62)
	CASH FLOW FROM FINANCING ACTIVITIES					
	Increase/ (Decrease)Proceeds from Long Term Borrowings	687.29	129.88	316.80	26.35	202.63
	Proceeds form Short Term Borrowings	2,646.71	39.08	413.13	678.14	881.10
	Increase/ (Decrease)Proceeds form Unsecured Borrowings	138.46	112.78	125.15	0.46	19.45
	Interest Paid	(668.97)	(427.70)	(437.51)	(247.49)	(153.03)
	Proceed from Issue of Equity Shares	2.47	-	-	-	-
	Dividend Paid + Taxes	(105.25)	(39.13)	-	(38.29)	-
	Share Premium received on Issue of Equity Shares	4.12	-	-	-	-
	Share Application money received pending allotment	-	-	-	-	-
	Increase/ (Decrease) Revaluation Reserve	-	-	-	-	-
	Capital Incentive	15.00	-	20.00	-	-
	Net Cash generated from other sources	2,719.84	(185.09)	437.57	419.17	950.15
	Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(220.32)	205.25	42.09	215.46	12.26
	Cash & Cash Equivalents - Opening Balance	683.46	478.21	436.12	135.72	123.46
	Cash & Cash Equivalents - Closing Balance	463.13	683.46	478.21	351.17	135.72
	Summary	31/03/2010	31/03/2009	31/03/2008	31/03/2007	31/03/2006
A)	CASH FLOW FROM OPERATING ACTIVITIES	(1,138.89)	1,253.73	541.01	19.53	(894.27)
B)	CASH FLOW FROM INVESTING ACTIVITIES	(1,801.28)	(863.39)	(936.49)	(223.24)	(43.62)
C)	CASH FLOW FROM FINANCING ACTIVITIES	2,719.84	(185.09)	437.57	419.17	950.15
	Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(220.32)	205.25	42.09	215.46	12.26

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3 on Cash Flow Statements as issued by the ICAI.



SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lacs)

Particulars	As on				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Consolidated	Standalone
A. Fixed Assets					
Goodwill On Consolidation	4.34	-	-	-	-
Gross Fixed Assets	5350.77	3,986.58	3,140.72	1,282.16	1,087.12
Less : Accumulated Depreciation	1,988.50	1,607.06	1,377.93	713.27	628.64
Net Fixed Assets	3362.27	2,379.51	1,762.79	568.90	458.48
Less:- Revaluation reserves	28.39	37.89	47.39	-	-
Net Fixed Assets After Revaluation Reserves	3333.88	2,341.62	1,715.39	568.90	458.48
Capital Work in Progress	252.35	-	33.72	40.72	17.65
Total Fixed Assets	3590.57	2,341.62	1,749.12	609.61	476.13
B. Investments	126.97	19.06	16.07	10.26	2.46
C. Current Assets, Loans & Advances					
Sundry Debtors	4,948.55	2,165.74	1,713.95	1,152.28	1,102.14
Cash and Bank Balances	738.78	683.46	613.49	456.62	135.72
Other Current Asset	1,087.57	536.61	487.22	219.68	222.26
Loans and Advances / Others	2,277.81	867.72	575.64	339.77	174.76
Inventories	4,263.73	1,611.97	1,918.68	1,199.12	1,215.44
Total (C)	13,316.44	5,865.49	5,308.99	3,367.47	2,850.33
D. Liabilities & Provisions					
Minority Interest	202.70	-	15.39	(22.77)	-
Secured loans	8,359.24	3,815.54	3,646.57	2,390.09	1,685.61
Unsecured loans	1,157.33	918.87	818.45	481.19	469.61
Deferred Tax Liability (Net)	316.76	220.14	121.85	64.54	60.25
Current Liabilities	3,730.38	1,047.97	1,091.64	337.80	314.29
Provisions	616.82	381.68	118.99	25.19	53.50
Share Application Money pending allotment	-	-	-	-	-
Total (D)	14,383.22	6,384.19	5,812.90	3,276.04	2,583.26
E. Net Assets (C-D)	(1,066.78)	(518.70)	(503.91)	91.42	267.07
F. Net Worth (A + B + E)	2650.76	1,841.98	1,261.28	711.30	745.66
Represented by					
Equity Share Capital	1,202.74	899.58	899.58	334.95	334.95
Reserve & Surplus	1690.31	1,044.11	420.10	382.48	423.02
Less:- Revaluation reserves	28.39	37.89	47.39	-	-
Total	2864.66	1,905.80	1,272.28	717.43	757.97
Less : - Miscellaneous Expenditure not w/off	213.90	63.82	11.00	6.13	12.31
G . Net Worth	2650.76	1,841.98	1,261.28	711.30	745.66

Note: The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated financial Statements as representing in Annexure IV-B to the Report.



SUMMARY OF CONSOLIDATED PROFIT AND LOSS AS RESTATED

(Rs. In Lacs)

Particulars	For the year/period ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
INCOME					
Sales & Operating Incomes					
- Manufactured Goods	13888.97	13,097.59	8,016.76	5,962.23	4,495.80
- Traded Goods	2,547.95	1,581.34	3,539.48	1,287.33	471.15
Export Sales	-	-	-	-	-
Other Income	17.55	6.46	30.42	0.59	9.31
Increase/(Decrease) in Inventory	1,341.03	480.72	(23.14)	(134.16)	316.22
Total Income	17,795.50	15,166.11	11,563.53	7,115.99	5,292.48
EXPENDITURE					
Raw Material Consumed	10,615.65	9,782.55	5,249.04	4,173.40	3,393.11
Cost of Traded Goods	1,936.07	1,466.65	3,440.13	1,240.40	469.51
Manufacturing Expenses	1,349.66	1,133.07	1,000.29	710.38	657.58
Payment & Provision for Employees	400.26	197.74	287.58	159.54	154.68
Administrative and Other Expenses	187.11	96.38	161.34	119.75	84.56
Miscellaneous Expenditure W/off	45.02	17.94	3.11	6.77	6.31
Selling and Distribution Expenses	308.77	276.49	259.84	376.01	167.21
Finance Cost	793.62	427.70	430.05	261.12	153.03
Loss on Sale of Investment / Asset	-	10.84	-	-	-
Depreciation & Amortisation	371.83	264.44	216.67	84.63	79.40
Forex (Gain) / Loss	(71.35)	415.27	(2.66)	(23.51)	(4.27)
Total Expenditure	15,936.64	14,089.08	11,045.40	7,108.48	5,161.11
Profit for the Period	1,858.85	1,077.03	518.13	7.52	131.36
(Add) / Less : Prior Period Items	-	-	0.20	0.23	101.87
Profit Before Tax	1,858.85	1,077.03	517.92	7.28	29.49
(Add) / Less : Provision for Tax					
Current Tax	544.00	271.56	55.05	24.65	26.00
Fringe Benefit Tax	(0.47)	4.26	6.00	3.47	4.50
Wealth Tax	-	-	-	-	-
Deferred Tax Liability / (Assets)	96.62	98.29	64.42	4.29	(24.62)
PROFIT AFTER CURRENT TAX	1,218.70	702.93	392.45	(25.13)	23.61
Balance brought forward from previous year	977.25	379.12	96.69	160.11	136.50
NET PROFIT AVAILABLE FOR APPROPRIATION	2,195.95	1,082.05	489.14	134.98	160.11
(Add) / Less :					
Minority Interest	164.04	-	15.19	(22.88)	-
Appropriation					
Proposed Dividend on Equity Shares	60.14	89.96	33.44	33.48	-
Tax on Dividend	10.22	14.84	5.69	4.81	-
Edu Cess On Dividend Tax (08-09)	0.45	-	-	-	-
Transfer to General Reserves	-	-	-	-	-
Capitalized during the year for	-	-	92.04	-	-



Particulars	For the year/period ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Bonus Shares	300.69				
Addition on Amalgamation	-	-	(0.75)	-	-
Balance carried forward as restated	1,660.41	977.25	343.53	119.57	160.11

Note:

1. The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated financial Statements as representing in Annexure IV- B to the Report.



SUMMARY OF CONSOLIDATED CASH FLOW AS RESTATED

(Rs. In Lacs)

Particulars		For the year/period ended				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Consolidated	Standalone
A	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit Before Tax and Extra Ordinary items	1,858.85	1,087.88	517.92	7.28	29.49
	Adjustment For					
	Add : Depreciation	371.83	264.44	216.67	84.63	79.40
	Preliminary Expenses written off	-	-	-	-	-
	Prior Period Expense			0.20	0.23	-
	Deferred Revenue Expenses written off	45.02	17.94	3.11	6.77	6.31
	Interest (net)	793.62	427.70	430.05	261.12	153.03
	Less: Profit on Sale of Investment			-		
	Dividend			-		
				-		
	Operating Profit Before Working Capital Changes	3,069.32	1,797.96	1,167.95	360.03	268.23
	Adjustment for working capital changes					
	Adjustment for working capital changes					
	Income Tax (Paid) / Refund	5.35	-		-	-
	TDS Paid	(343.08)	(72.76)	(49.90)	(16.99)	(15.12)
	TDS (Paid)/ Refund Prev Year	(201.19)	(18.55)	(15.49)	(30.36)	(1.87)
	(Increase) / Decrease in Trade & Other Receivables	(2,782.81)	(410.43)	(473.87)	(50.14)	(255.03)
	(Increase) / Decrease in Advance to Suppliers / Creditors	-	-	-	-	-
	(Increase) / Decrease in Other Current Assets	(313.02)	(58.63)	(97.38)	(6.24)	(57.61)
	(Increase)/Decrease in Misc Exp Assets	(194.98)	(71.06)	(7.89)	(0.98)	
	Increase / (Decrease) in Trade Payable	2,582.70	27.80	534.07	(135.37)	(69.96)
	Increase/(Decrease in Outstanding Expenses	99.71	41.27	216.06	158.88	11.72
	(Increase) / Decrease in Loans and Advances	(1,412.61)	(277.74)	(172.18)	(165.00)	(102.11)
	(Increase) / Decrease in Inventories	(2,651.76)	306.71	(389.01)	16.32	(672.52)
	Working capital changes	(5,211.69)	(533.39)	(455.59)	(229.88)	(1,162.50)
	Adjustment for Extra Ordinary Transactions					
	Loss on Sale Of Investment		(10.84)			



Particulars		For the year/period ended				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Consolidated	Standalone
Net Cash used / generated for / from Operations		(2,142.37)	1,253.73	712.36	130.15	(894.27)
B	CASH FLOW FROM INVESTING ACTIVITIES					
	Purchase of Fixed Assets / Capital Work In Progress	(1,631.76)	(954.61)	(1,013.61)	(218.11)	(42.62)
	Investments made	(167.64)	(13.51)	21.24	(7.80)	(1.00)
	Sale/Discarding of Fixed Assets	-	104.73	-	-	-
Net Cash used in Investing Activities		(1,799.40)	(863.39)	(992.37)	(225.91)	(43.62)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	Increase/ (Decrease) Proceeds form Long Term Borrowings	693.60	129.88	316.80	26.35	202.63
	Proceeds form Short Term Borrowings	3,850.11	39.08	413.12	678.14	881.10
	Increase/ (Decrease) Proceeds form Unsecured Borrowings	238.46	112.78	137.51	11.58	19.45
	Interest Paid	(793.62)	(427.70)	(430.05)	(261.12)	(153.03)
	Proceed from Issue of Equity Shares	2.47	-	-		-
	Dividend Paid + Taxes	(105.25)	(39.13)		(38.29)	
	Share Premium received on Issue of Equity Shares	5.34	-		-	-
	Capital Incentive	15.00	-	20.00	-	-
Net Cash generated from other sources		3,906.11	(185.09)	457.38	416.66	950.15
Net Increase / (Decrease) in Cash & Cash Equivalents		(35.66)	205.25	177.37	320.90	12.26
Cash & Cash Equivalents - Opening Balance		774.44	478.21	436.12	135.72	123.46
Cash & Cash Equivalents - Closing Balance		738.78	683.46	613.49	456.62	135.72



	Summary	31/03/2010	31/03/2009	31/3/2008	31/03/2007	31/03/2006
A)	CASH FLOW FROM OPERATING ACTIVITIES	(2142.37)	1253.73	712.36	130.15	(894.27)
B)	CASH FLOW FROM INVESTING ACTIVITIES	(1799.40)	(863.39)	(992.37)	(225.91)	(43.62)
C)	CASH FLOW FROM FINANCING ACTIVITIES	3906.11	(185.09)	457.38	416.66	950.15
	Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(35.66)	205.25	177.37	320.90	12.26

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3 on Cash Flow Statements as issued by the ICAI.

**THE ISSUE**

Equity Shares Offered	90,00,000 Equity Shares of Rs.10/- each
<i>Of which:</i>	
Qualified Institutional Buyers* Portion	Upto 45,00,000 Equity Shares of Rs.10/- each, constituting upto 50% of the Issue to the Public. Out of which 5% i.e. 2,25,000 Equity Shares of Rs.10 each will be available for allotted to Mutual Funds only and the remaining QIB portion will be available for allotted to QIBs, including Mutual Funds.
Non-Institutional Portion *	Not less than 13,50,000 Equity Shares of Rs.10 each for cash at a price of Rs [•] aggregating Rs. [•] Lacs constituting minimum of 15% of the Issue to the Public.
Retail Portion*	Not less than 31,50,000 Equity Shares of Rs.10 each for cash at a price of Rs [•] aggregating Rs [•] Lacs constituting atleast 35% of the Issue to the Public.
Equity Shares outstanding prior to the Issue	1,20,27,400 Equity Shares of Rs.10 each
Equity Shares outstanding after the Issue	2,10,27,400 Equity Shares of Rs.10 each
Objects of the Issue	Please refer to chapter titled "Objects of the Issue" on page no. 54 of this RHP

** Under subscription, if any, in QIB, Retail and Non-Institutional Category would be met with spill-over from other categories or a combination of categories. Such inter-se spill over, if any, will be at the discretion of our Company in consultation with the BRLMs.*

Notes:

- Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Bidders, Non- Institutional Bidders & Retail Individual Bidders shall be on a proportionate basis. For details, please refer to the section titled "Issue Procedure" beginning on page 261 of this Red Herring Prospectus.*

**GENERAL INFORMATION**

Our Company was originally incorporated as “Bedmutha Wire Company Private Limited” on August 23, 1990 in the state of Maharashtra as Private Limited Company under the Companies Act, 1956 vide Registration No. 11-57863 (CIN U31200MH1990PLC057863). The name of the company was changed to Bedmutha Wire Company Limited due to conversion into Public Limited Company and a fresh certificate of incorporation was obtained from Registrar of Companies, Maharashtra on September 23, 1997. The name of the company was further changed to “Bedmutha Industries Limited” and a fresh certificate of incorporation was obtained from Registrar of Companies, Maharashtra on November 18, 2009. For details in change in the name of our company and our registered office, see the section titled “*Our History and Corporate Structure*” beginning on page no. 105 of this RHP.

Registered Office**Bedmutha Industries Limited**

A-32, STICE, Musalgaon, Sinnar,
Nashik-422 103, (M.S. India);

Tel: 91 – 2551 – 240481/ 631/ 068

Fax: 91 – 2551 – 240482

E-Mail: ipo@bedmutha.com

Website: www.bedmutha.com

Corporate Office**Bedmutha Industries Limited**

B – 301 / 302, Sai Classic,
Off Palm Acres, Gavanpada,
Mulund (East)

Mumbai – 400 081

Tel: 91 – 22 – 21637675

Fax: 91 – 22 - 21631667

Our Company is registered with the following Registrar of Companies (“**RoC**”)

RoC – Maharashtra

100 Everest Building,
Marine Lines
Mumbai- 400002

Board of Directors

The table below sets out the current details regarding our board as on the date of filing this Red Herring Prospectus:

Name and Address of the Directors	Designation	Status	DIN
Mr. Kachardas R. Bedmutha Address: D-11, MIDC, Satpur, Nashik – 422 007.	Chairman	Promoter and Executive	01724420
Mr. Vijay K. Vedmutha Address: D-11, MIDC, Satpur, Nashik – 422 007.	Managing Director	Promoter and Executive	00716056
Mr. Ajay K. Vedmutha Address: D-11, MIDC, Satpur, Nashik – 422 007	Joint Managing Director	Promoter and Executive	01726879
Mr. A. Balasubramanian Address: 69 Pachaippa's College Hostel Road, Chetpet, Chennai – 600 031	Additional Director	Independent and Non Executive	00490921



Name and Address of the Directors	Designation	Status	DIN
Mr. Narayan Marotrao Kadu Address: 205, Mangalmurti Apt., Khare Town, Dharampeth, Nagpur – 440 010.	Additional Director	Independent and Non Executive	02807124
Mr. Shital Nahar Address: C-102, Ashit Apt., Shivaji Nagar, Model Colony, Pune – 411 016.	Director	Independent and Non Executive	01782566

For further details of our Directors, see section entitled “Our Management” on page No. 115 of this Red Herring Prospectus.

Company Secretary & Compliance Officer

Mr. Nilesh Amrutkar

A-32, STICE, Musalgaon, Sinnar,
Nashik-422 103, (M.S. India);
Tel: 91 – 2551 – 240481, 240631, 240068
Fax: 91 – 2551 – 240482
E-Mail: complianceofficer@bedmutha.com

Investors are advised to contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders.

Book Running Lead Managers

Keynote Corporate Services Limited

4th Floor, Balmer Lawrie Building,
5, J.N. Heredia Marg, Ballard Estate,
Mumbai - 400001
Tel: 91- 022- 3026 6000;
Fax: 91- 022- 2269 4323
Email: mbd@keynoteindia.net
Website: www.keynoteindia.net
SEBI Registration No: INM 000003606
Contact Person : Mr. Janardhan Wagle

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 Registration No: INM 000010536
Contact Person: Ms. Nimisha Joshi

Syndicate Members

Keynote Capitals Limited

4th Floor, Balmer Lawrie Building,
5, J.N. Heredia Marg, Ballard Estate,
Mumbai – 400001, India
Tel: 91- 022- 3026 6000
Fax: +91-022 – 2269 4323
Email: kcl@keynoteindia.net
Website: www.keynotecapitals.com
Contact Person : Mr. Ankur Mestry

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 Minny



Legal Advisors to the Issue

Corporate Law Chambers India

Advocates

44/A, Nariman Bhavan

Near Atlanta Building,

Nariman Point, Mumbai - 400021

Tel: 91 – 2266321528/ 589

Fax: 91-22-6632 1531

E-mail: ajai@corplawchambers.com

Contact Person: Mr. Ajai Achuthan

Registrar to the Issue

Mondkar Computers Private Limited

21, Shakil Niwas, Opp. Satya Sai Baba Temple,

Mahakali Caves Road, Andheri (East)

Mumbai 400093

Tel: 91-22-28257641, 28366620

Fax: 91-22-28262920

Email: bedmutha_ipo@mondkarcomputers.com

Website: <http://www.mondkarcomputers.com>

Contact Person: Mr. Ravindra Utekar

Auditors

Statutory Auditor

M/s. Patil Hiran Jajoo & Co.

Chartered Accountants

1 & 4, B-wing, Niwas Plaza, Behind HDFC,

Sharanpur Road,

Nashik -422005

Tel: 91 – 0253 – 2572680/81

Fax: 91-0253-2572681

E- Mail: patilhiranjajoo@yahoo.com

Contact Person: Mr. Aniruddha A. Jajoo

Independent Auditor (Peer Review Certified)

A.S. Kothawade & Co.

Chartered Accountants

1, First Floor, Shriprakash Complex,

Near kulkarni Garden, Sharenpur Road,

Nasik – 422 002

Tel: 91 – 0253 – 2573000

Fax: 91 – 0253 – 2580758

Email: gastask@sify.com;

kothawade.anil@rediffmail.copm

Contact Person: Mr. Anil S. Kothawade

Bankers to our Company

Punjab National Bank

Mid- Corporate Bank Branch,

GERA Complex, Kalyani Nagar,

Pune, Maharashtra

Tel: 91 020 26682855

Fax: 91 020 26682856

Email: board@pnb.co.in

Contact Person:

Mr. Anand Agarwal

Bank of India

Nashik Main Branch,

Mundada Market,

203 A, M.G. Road,

Nashik 422 002.

Tel: 91 0253 2501029

Fax: 91 0253 2507240

Email: boipcbb@vsnl.net

Contact Person: Mr. Savant,

Senior Manager

Andhra Bank

610, Sachapir Street, Camp,

Pune – 411 001, Maharashtra

Tel: 91-020-26133950/26131004

Fax: 91-020-26113931

Email:

bmmum906@andhrabank.co.in

Contact Person: Mr. Shabsikant



Bankers to the Issue And Escrow Collection Banks

HDFC BANK LIMITED**FIG-OPS Department**

Lodha, IThink Techno Campus,
O-3 Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai-400 042

Tel: (022) 3075 2928; **Fax:** (022) 2579 9801

Website: www.hdfcbank.com

Email: Deepak.rane@hdfcbank.com

Contact Person: Mr Deepak Rane

Axis Bank

Konark Darshan, Next to Jain Mandir,
Zaver Road, Mulund (West),
Mumbai 400 080

Tel: 91 022 25605072 / 25605073/ 25605074

Fax: 91 022 25605075

Website: www.axisbank.com

Email: mulund.branchhead@axisbank.com

Contact Person: Mr Niraj Singh & Mr. Sunny Intoliya

STANDARD CHARTERED BANK

207, D. N. Road, Fort,
Mumbai – 400 001

Tel: (022) 2268 3955;

Fax: (022) 2209 2216

Website: www.standardchartered.co.in

E-mail: Joseph.George@sc.com

Contact Person: Mr. Joseph George

IndusInd Bank Ltd.

Sonwala Building,
57, Mumbai Samachar Marg,
Fort, Mumbai – 400 001

Tel: 91 022 66366589/91/92; **Fax:** 91 022 66366590

Website: www.indusind.com

Email: yogesh.adkle@indusind.com/

singh.harpal@indusind.com

Contact Person: Mr Yogesh Adkle & Mr. Harpal Singh

PUNJAB NATIONAL BANK**Capital Market Services Branch**

2nd Floor, PNB House, Sir P.M. Road,
Fort, Mumbai – 400 001

Tel: (022) 2262 1122; **Fax:** (022) 2262 1124

Website: www.pnbindia.in

Email: pnbcapsmumbai@pnb.co.in

Contact Person: Mr. K. K. Khurana

SELF CERTIFIED SYNDICATE BANKS

As on date following banks are registered with SEBI for collection of ASBA forms:

1.	Axis Bank Ltd	18.	HSBC Ltd.
2.	State Bank of Hyderabad	19.	Kotak Mahindra Bank Ltd.
3.	Corporation Bank	20.	Bank of India
4.	State Bank of Travencore	21.	CITI Bank
5.	IDBI Bank Ltd.	22.	IndusInd Bank
6.	State Bank of Bikaner and Jaipur	23.	Allahabad Bank
7.	YES Bank Ltd.	24.	Karur Vysya Bank Ltd.
8.	Punjab National Bank	25.	The Federal Bank
9.	Deutsche Bank	26.	Indian Bank
10.	Union Bank of India	27.	Central Bank of India
11.	HDFC Bank Ltd.	28.	Oriental Bank of Commerce
12.	Bank of Baroda	29.	Standard Chartered Bank
13.	ICICI Bank Ltd	30.	J P Morgan Chase Bank, N.A.
14.	Vijaya Bank	31.	Nutan Nagarik Sahakari Bank Ltd.
15.	Bank of Maharashtra	32.	UCO Bank
16.	State Bank of India	33.	Canara Bank
17.	Andhra Bank		



For the details of list of controlling banks along with its branches for ASBA please visit the website of SEBI, BSE and NSE at www.sebi.gov.in, www.bseindia.com, www.nseindia.com respectively.

MONITORING AGENCY

As per regulation 16(1) of the SEBI (ICDR) Regulations, 2009, monitoring agency is required to be appointed in case the public issue size exceeds Rs.50000 Lacs. Since our proposed issue size is less than Rs.50000 Lacs, we do not propose to appoint a Monitoring Agency. However, as per the Clause 49 of the Listing Agreement to be entered into with the stock exchanges upon listing of the equity shares in accordance with the Corporate Governance requirements, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

CREDIT RATING

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

IPO GRADING AGENCY

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon – 122 002
Tel.: +91 124 4545300; Fax: +91 124 4545 350
Email: info@icraindia.com Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel.: +91 11 23357940-50; Fax: +91 11 23357014

IPO GRADING

This Issue has been graded by ICRA Limited as ICRA IPO Grade 2 indicating below average fundamentals, pursuant to Regulation 26(7) of the ICDR Regulations. The IPO grade is assigned on a five point scale from 1 to 5, with IPO grade 5/5 indicating strong fundamentals and IPO grade 1/5 indicating poor fundamentals.

The assigned grading takes into account the company's established track record of two decades in the wire manufacturing business, healthy growth in production levels with regular increase in production capacities, strong presence in the Western region and a reputed and well-diversified customer profile. The proceeds of the IPO would be utilized for setting up manufacturing capacity for LRPC¹ wires, where the demand potential is expected to be favourable given their usage in pre-stressed concrete girders for roads, railway sleepers, flyovers, etc. The grading is however constrained by the competition present in the industry on account of the presence of several large and well established players in certain product categories and a host of unorganised players in other product segments and the expected decline in return indicators given the large expansion and the resultant equity dilution. Also, the company's operations are working capital intensive, which has impacted the free cash flow generation in the past, resulting in an adverse capital structure. Also, while the demand potential is favourable, the company would face high project implementation risks in setting up the project for LRPC and Spring Steel wires, especially given the fact that very limited progress has been made in the project so far and its dependence on IPO proceeds for financial closure. ICRA notes that going forward, the overall revenue growth and profitability indicators of the company would remain dependent on successful implementation of its new project as well as market acceptance of the products.

¹ Low Relaxation Pre-Stressed Concrete



TRUSTEES

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

PROJECT APPRAISAL

Our Project has not been appraised by any bank or financial institution.

INTER-SE ALLOCATION OF RESPONSIBILITIES

The following table sets forth the distribution of responsibilities and co-ordination for various activities among the Ashika Capital Limited (**Ashika**) and Keynote Corporate Services Limited (**Keynote**) (Book Running Lead Managers to the Issue/BRLMs).

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital Structuring with the relative components and formalities such as type of instruments, etc.	Ashika & Keynote	Ashika
2.	Conducting a due diligence of the Company's operations/management/business plans/legal, etc. Drafting and designing the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus. Ensuring compliance with the SEBI (ICDR) Regulations 2009 and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI	Ashika & Keynote	Ashika
3.	Primary co-ordination with SEBI, RoC and Stock Exchanges up to bidding and coordinating interface with lawyers for agreements	Ashika & Keynote	Keynote
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.	Ashika & Keynote	Keynote
5.	Drafting and approving all publicity material other than statutory advertisement as mentioned in (4) above including corporate advertisement, brochure, etc.	Ashika & Keynote	Keynote
6.	Appointing the Registrars, Appointing Bankers to the Issue, Appointing other intermediaries viz., printers and advertising agency	Ashika & Keynote	Keynote
7.	Marketing of the Issue, which will cover inter alia: - 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.	Ashika & Keynote	Ashika
8.	Coordinating institutional investor meetings, coordinating pricing decisions and institutional allocation in consultation with the Company	Ashika & Keynote	Ashika



Sr. No.	Activity	Responsibility	Co-ordinator
9.	Finalising the Prospectus and RoC filing	Ashika & Keynote	Keynote
10.	Coordinating post bidding activities including management of Escrow accounts, coordinating with registrar and dispatch of refunds to Bidders, etc.	Ashika & Keynote	Keynote
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.	Ashika & Keynote	Ashika
12.	The Post-Issue activities for the Issue will involve essential follow up steps, which include finalizing basis of allotment / weeding out of multiple applications, the listing of instruments and dispatch of certificates 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. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Company.	Ashika & Keynote	Ashika

BOOK BUILDING PROCESS

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

1. The Company;
2. The Book Running Lead Managers,
3. Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Members are appointed by the Book Running Lead Manager;
4. Registrar to the Issue;
5. Escrow Collection Banks; and
6. Self Certified Syndicate Banks

The securities are being offered to the public through the 100% Book Building Process in accordance with the SEBI Regulations wherein: (i) upto 50% of the Issue to the public shall be available for allotment on a proportionate basis to QIBs, of which 5% shall be available for allotment to mutual funds on proportionate basis and the remaining QIB portion shall be available for allotment to the QIB bidders including mutual funds (ii) not less than 35% of the Issue shall be available for allotment on a proportionate basis to Retail Individual Bidders, and (iii) not less than 15% of the Issue shall be available for allotment 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.

In accordance with the SEBI (ICDR) Regulations, QIBs are not allowed to withdraw their Bid(s) after the Bid/Issue Closing Date.

Investors have the option to submit their Bids under the “ASBA Process” which would entail blocking of funds in the investor’s bank account rather than transfer of funds to the respective Escrow Accounts. For further details, please refer to the Chapter titled “Issue Procedure -ASBA Bidders” beginning on page no. 287 of this RHP.

We will comply with the SEBI (ICDR) Regulations and any other ancillary directions issued by SEBI for this



Issue.

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

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

Bidders (including ASBA bidders) can bid at any price within the Price Band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, issue size of 3,000 equity shares and receipt of five (5) bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

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

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

Steps to be taken by the Bidders for Bidding

- Check eligibility for bidding (please refer to the section entitled "Issue Procedure - Who Can Bid" on page no. 262 of this Red Herring Prospectus.
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form and ASBA Bid cum application Form, as the case may be..
- Ensure that you have mentioned your PAN in the Bid Cum Application Form and ASBA Bid cum application Form, as the case may be. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see section entitled "Issue Procedure" on page no. 278 of this Red Herring Prospectus.
- Ensure that the Bid cum Application Form and ASBA Bid cum application Form, is duly completed as per instructions given in this Red Herring Prospectus and in the Bid Cum Application Form.
- Bids by QIBs will only have to be submitted to the BRLMs/ SCSBs as the case may be; and
- Bids by ASBA bidders will have to be submitted to the designated Branches of the SCCBs. ASBA bidders should ensure that their bank account have adequate credit balance at the time of submission to the SCCBs to ensure that the ASBA Bid cum Application form is not rejected.

Withdrawal of the Issue

The Company, in consultation with the BRLMS, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. In terms of the SEBI Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.



In such an event the Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

In the event of withdrawal of the Issue anytime after the Bid/Issue Opening Date, Our Company will forth repay, without interest, all monies received from the applicants on pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company become liable to repay it i.e. from the date of withdrawal, then our Company, and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with at the rate of 15% per annum on application money.

Bid/Issue Programme

BID/ISSUE OPENS ON	TUESDAY, SEPTEMBER 28, 2010
BID/ISSUE CLOSES ON	FRIDAY, OCTOBER 01, 2010

Bids and any revision in Bids shall be accepted only between 10 a.m. and 5 p.m. (Indian Standard Time) during the Bidding/ Issue Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid / Issue Closing Date, the Bids (excluding the ASBA Bidders) shall be accepted only between 10 a.m. and 3.00 p.m. (Indian Standard Time) and shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders where the Bid Amount is up to Rs. 100,000. It is clarified that the Bids not uploaded in the book would be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

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

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

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

Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, bids and any revision in Bids shall not be accepted on Saturdays and Holidays as declared by the Exchanges.

The Price Band will be decided by us in consultation with the BRLMs. The announcement of the Price Band shall also be made available in the websites of the BRLMs and at the terminals of the Syndicate.

The Company, in consultation with the BRLMs reserves the right to revise the Price Band during the Bidding/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed



20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least two (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

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

Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the Book Runners shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations. The Underwriting Agreement is dated [•]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

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

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in lacs)
Keynote Corporate Services Limited 4 th Floor, Balmer Lawrie Building, 5, J.N. Heredia Marg, Ballard Estate, Mumbai - 400001 Tel: 91- 022- 3026 6000-03; Fax: 91- 022- 2269 4323 Email: mbd@keynoteindia.net	[•]	[•]
Keynote Capitals Limited 4th Floor, Balmer Lawrie Building, 5, J.N. Heredia Marg, Ballard Estate, Mumbai – 400001, India Tel: 91- 022- 3026 6000; Fax: +91-022- 22694323 Email: kcl@keynoteindia.net Website: www.keynotecapitals.com	[•]	[•]
Ashika Capital Limited 1008, 10 th Floor, Raheja Centre, 214, Nariman Point, Mumbai – 400 021 Tel : +91-022-66111700 Fax: +91-022-66111710 E-mail: mbd@ashikagroup.com	[•]	[•]
Ashika Stock Broking Limited 1008, 10 th Floor, Raheja Centre, 214, Nariman Point, Mumbai – 400 021 Tel : +91-022-6611 1706 Fax: +91-022-66111710 E-mail: ipo@ashikagroup.com	[•]	[•]



The above-mentioned amount is an indicative underwriting and would be finalized 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, as per schedule VIII, Part A, (VI)(B)(15) of SEBI ICDR Regulation, 2009 have been complied with. 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. Allotment to QIB Bidders is proportionate as per the terms of this RHP.

The underwriting agreements mentioned above shall not apply to the subscriptions by the ASBA bidders in this offer.



CAPITAL STRUCTURE

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

Particulars		Aggregate Value at Face Value (In Rs.)	Aggregate Value at Issue Price (In Rs.)
A.	Authorized Capital		
	2,50,00,000 Equity Shares of face value of Rs. 10 each	25,00,00,000	25,00,00,000
B.	Issued, Subscribed And Paid-Up Equity Capital before the Issue		
	1,20,27,400 Equity Shares of Rs. 10 each fully paid-up before the Issue	12,02,74,000	[•]
C.	Present Issue to public in terms of this Red Herring Prospectus		
	90,00,000 Equity Shares of Rs. 10 each as Issue to Public.	9,00,00,000	[•]
	<i>Of which</i>		
	QIB Portion – Upto 45,00,000 Equity shares of Rs 10 each	4,50,00,000	[•]
	Non- Institutional Portion – Not less than 13,50,000 Equity shares of Rs. 10 each	1,35,00,000	[•]
	Retail Portion- Not less than 31,50,000 Equity shares of Rs 10 each	3,15,00,000	[•]
D.	Equity Capital after the Issue		
	2,10,27,400 Equity Shares of Rs. 10 each	21,02,74,000	[•]
E.	Securities Premium Account		
	Before the Issue	Rs. 4.12 Lacs	
	After the Issue	[•]	

The issue has been authorized by the Board of Directors in their meeting held on November 14, 2009 and by the shareholders of our company at the EGM held on November 19, 2009.



Notes to the Capital Structure:

1. Details of Increase in Authorised Capital:

Date of Change	Increased from (Rs)	Increased to (Rs)	AGM/EGM
August 23, 1990	-	5,00,000	At the time of incorporation
August 14, 1991	5,00,000	10,00,000	EGM
January 07, 1993	10,00,000	22,00,000	EGM
January 10, 1997	22,00,000	1,10,00,000	EGM
October 01, 1998*	1,10,00,000	2,70,00,000	EGM
November 01, 2000	2,70,00,000	3,70,00,000	EGM
March 26, 2007	3,70,00,000	410,00,000	EGM
February 19, 2008	4,10,00,000	15,00,00,000	EGM
November 19, 2009	15,00,00,000	25,00,00,000	EGM

*Pursuant to a resolution passed at the AGM dated September 01, 1998, the equity shares of our Company were subdivided into shares having a face value of Rs 10/- each. Accordingly, the authorised capital consisting of 1,10,000 equity shares of Rs 100 each was subdivided into 11,00,000 Equity Shares of Rs. 10 each.

2. Share Capital History

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

Date of Allotment	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up share capital (Rs.)	Cumulative Share Premium (Rs.)
August 23, 1990	40	100	100	Cash	Subscription to Memorandum	40	4,000	Nil
November 14, 1990	60	100	100	Cash	Further Allotment to Promoters	100	10,000	Nil
February 25, 1993	21,200	100	100	18989 equity shares for cash and 2211 equity shares for consideration other than cash (Note i)	Further Allotment to Promoters, Promoter Group and Others	21,300	2,130,000	Nil
February 14, 1997	3,700	100	250	Cash	Further Allotment to Promoter Group and Others	25,000	2,500,000	555,000
March 27, 1997	75,000	100	-	Bonus (Note ii)	Bonus issue in the ratio 3:1 out of revaluation Reserves and Capital	100,000	10,000,000	5,55,000



Date of Allotment	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up share capital (Rs.)	Cumulative Share Premium (Rs.)
					Reserve			
September 01, 1998	Sub Division of 1,00,000 equity shares of the face value of Rs 100 into 10,00,000 equity shares of the face value of Rs. 10 each							
October 01, 1998	1,643,768	10	24.44	Consideration other than Cash (Note iii)	Further Allotment	2,643,768	26,437,680	24,291,010
April 01, 2000	50,000	10	10	Consideration other than Cash (Note iv)	Further Allotment to Promoter	2,693,768	26,937,680	24,291,010
March 25, 2005	655,720	10	10	Cash	Further Allotment to Promoters, Promoter Group and others	3,349,488	33,494,880	24,291,010
March 19, 2008	3,349,488	10	-	Bonus (Note ii)	Bonus issue in the ratio 1:1 out of free reserves	6,698,976	66,989,760	Nil
December 05, 2008	2,296,862	10	10	Consideration other than Cash (Note v)	Further Allotment to Promoters, Promoter Group and others	8,995,838	89,958,380	Nil
June 20, 2009	24,712	10	26.67	Cash	Further Allotment to Promoter Group and others	9,020,550	90,205,500	4,11,867
October 31, 2009	3,006,850	10	10	Bonus (Note ii)	Bonus issue in the ratio 1:3 out of free reserves	12,027,400	120,274,000	4,11,867

Notes:

- The Company has allotted 2211 Equity shares of Rs.100 each to Mr. Vijay Vedmutha on February 25, 1993 for consideration other than cash towards acquisition of Machinery and Land.
- Our Company has allotted 75,000 Equity Shares in the ratio of 3:1 (Three equity shares of Rs. 100 each for every one share held) on March 27, 1997 by way of Bonus by utilization of Rs. 55,00,000/- from Revaluation Reserve Account and Rs. 20,00,000/- from Capital Reserve Account. The Assets of our company were revalued on April 05, 1993. The details of allottees have been given under Note No. 3. Our company has further allotted 33,49,488 Equity Shares in the ratio of 1:1 (One equity share of Rs. 10 each for every one equity share held) by way of Bonus by capitalization of free reserves on March 19, 2008. Further, our company allotted 30,06,850 Equity Shares in the ratio of 1:3 (one equity share of Rs. 10/- each for every three shares held) by way of Bonus by capitalization of free reserves on October 10, 2009.



- iii. Our Company had acquired M/s Kamal Wire Drawing Co. w.e.f. October 01, 1998 and, in lieu thereof, allotted 16,43,768 fully paid up equity shares of Rs. 10/- each to Mr. Vijay K Vedmutha, the proprietor of M/s Kamal Wire Drawing Co, on October 01, 1998.
- iv. Our Company had acquired M/s Testing Engineers & Associates w.e.f. March 31, 2000 and, in lieu thereof, allotted 50,000 fully paid up equity shares of Rs. 10/- each to Mr. Ajay K Vedmutha, the proprietor of M/s Testing Engineers & Associates, on April 01, 2000.
- v. On August 29, 2008, Hon'ble High Court of Judicature at Mumbai passed an order of amalgamation of M/s. Ajay Wire Private Limited, Kamdhenu Wire Private Limited and Shriram Wire Private Ltd with Bedmutha Industries Limited, sanctioning the scheme of amalgamation u/s.391-394 of Companies Act, 1956. On December 05, 2008, our Company allotted 22,96, 862 fully paid up equity shares of Rs. 10/- each . The details of allottees have been given under point No. 4.

Pursuant to resolution passed in AGM on September 01, 1998 the face value of equity shares was sub-divided from Rs. 100/- to Rs. 10/- per equity share. In order to maintain consistency in the presentation, the face value of the equity shares in all the tables of this section appearing henceforth have been taken at Rs. 10/- per equity share for all the allotments. Also, the number of shares allotted have been adjusted accordingly.

3. Equity Shares issued for Consideration other than cash:

Our Company has issued equity shares for consideration other than cash in the past including bonus shares. The Assets of our company were revalued on April 05, 1993. The details of shares issued are as under:

Sr. No	Date of Allotment of Equity Shares	Names of Allottees	No. of Shares Allotted	Face Value (Rs)	Reason	Whether Benefits have accrued to the Issuer
1	February 25, 1993	Vijay K.Vedmutha	22110	10	Issue of shares in lieu of Land and Plant and Machinery	Yes
2	March 27, 1997	Vijay K.Vedmutha K.R.Bedmutha Ajay K.Vedmutha Usha V.Vedmutha Kamalabai K.Bedmutha Vinita A.Vedmutha Sangeeta K.Bedmutha Dr. R. M. Sethiya K. T. Patil Santosh Bedmutha RajendraBedmutha Bhagchand Bedmutha Surendra Bedmutha Amarchand Bedmutha K R Bedmutha HUF Hemant Makhwana	150600 141300 138600 51300 17700 18900 12000 7500 9000 13800 10500 7500 7500 7500 30000 15000	10	Issue of Bonus Shares out of Revaluation Reserves and Capital Reserve	No



Sr. No	Date of Allotment of Equity Shares	Names of Allottees	No. of Shares Allotted	Face Value (Rs)	Reason	Whether Benefits have accrued to the Issuer
		Sneha Vedmutha Vinayak Dabhade Sitabai Bedmutha (NAHATA) Tukaram S.Dighole Arun Ghate Mahendra Bedmutha R B Chakor M. K. Patil Dilip Bhatevera Shriram Kulkarni Ramnath Khale Prakash Sadawartar Bhavesh Mehta Bhausasheb Khule Padma N.Mehta Asha V.Mehta Bhavana C. Mehta Darshana B.Doshi Jayshree K.Lahoti Sanjog T.Lodha Sashank S. Manerikar Madanlal U. Desarda Devendra M.Desarda Mrs.Vimal A.Shetiya Lalitbhai Desai Mrs.Jyoti H..Bhandari A S Bedmutha Sudhir Bedmutha N R Bedmutha Manorama k Thanki kanak b. Thanki kantilal shamji Thanki bharat S Thanki Ramesh Kenge Sharda Finance co. Bharat V. Lodha Sanjivani Deo Total	7500 3000 6000 300 3000 1500 3000 3000 3000 3000 4500 3000 1500 1500 1500 1500 4500 4500 3000 3000 3000 4500 4500 3000 3000 3000 3000 3000 3000 750 750 750 750 3000 9000 3000 3000 750000			
3	October 01, 1998	Vijay K. Vedmutha	1643768	10	Issue of Equity Shares in lieu of Takeover of Kamal Wire Drawing Co	Yes



Sr. No	Date of Allotment of Equity Shares	Names of Allottees	No. of Shares Allotted	Face Value (Rs)	Reason	Whether Benefits have accrued to the Issuer
4	April 01, 2000	Ajay K. Vedmutha	50000	10	Issue of equity shares in lieu of Takeover of Testing Engineers and Associates	Yes
5	March 19, 2008	Vijay K. Vedmutha K.R. Bedmutha Ajay K. Vedmutha Usha V. Vedmutha Kamalabai K. Bedmutha Vinita A. Vedmutha Sneha V. Vedmutha Jawharilal Bhandari R.M. Shetiya Padma N. Mehta Asha V. Mehta Bhavana C. Mehta Darshana B. Doshi Jayshree K. Lahoti Sanjog T. Lodha Sashank S. Manerikar Madanlal U. Desarda Devendra M. Desarda Vimal A. Shetiya M/s Kreepa Steel Industries Lalitbhai Desai Jyoti H. Bhandari M/s Elme Plast Co. Yash Vijay Vedmutha Divya A. Vedmutha Lavina Ajay Vedmutha K.R. Bedmutha Bedmutha Sons Realty Ventures P. Ltd. Total	320825 260330 301425 330142 64800 216480 311454 400 10400 2000 2000 6000 6000 4000 4000 4000 4000 6000 6000 4000 12000 4000 2000 16270 301454 301454 301454 6400 544200 3349488	10	Issue of Bonus equity shares in the ratio of 1:1 from free reserves	No
6	October 31, 2009	Vijay K. Vedmutha K. R. Bedmutha Ajay K. Vedmutha Usha V. Vedmutha	797015 338339 797015 276287	10	Issue of Bonus equity shares in the ratio of 1:3	No



Sr. No	Date of Allotment of Equity Shares	Names of Allottees	No. of Shares Allotted	Face Value (Rs)	Reason	Whether Benefits have accrued to the Issuer
		Kamalabai K. Bedmutha	131132		from free reserves	
		Vinita A. Vedmutha	276287			
		Rasik. M. Sethiya	30767			
		Jawharilal Bhandari	266			
		Khanderao Tanaji Patil	250			
		Padma N. Mehta	1333			
		Asha V. Mehta	1333			
		Bhavana C. Mehta	4000			
		Darshan B. Doshi	4000			
		Jayshree K. Lahoti	2667			
		Sanjog T. Lodha	2667			
		Shahank S. Manerikar	2667			
		Madanlal U. Desarda	4000			
		Devendra M. Desarda	4000			
		Lalitbhai Desai	2667			
		Jyoti S. Bhandari	1333			
		Kachru P. Hole	50			
		Bedmutha Sons Realty Ventures Pvt.Ltd	279550			
		Asha Sethiya	43000			
		Vishal K. Patil	250			
		Sudhir Nayansukh Bedmutha	375			
		Nayansukh Ratanchand Bedmutha	625			
		Vimal Nayansukh Bedmutha	625			
		Pravin Rathi	500			
		Surekha Rathi	500			
		Shanta R Daga	500			
		Amit Ashok Jain	250			
		Dilip Dinkar Kulkarni	250			
		Asha Hemant Gupte	250			
		Sanjay Balasahab Nagarkar	50			
		Vikas Sasidharan Nair	50			
		Deodatta Wasudevrao Wadhane	250			
		Rajesh Ramakrishnan Nair	250			
		Priya Satish Hiren	500			
		Chhaya aniruddha Jajoo	500			
		Pooja Ulhas Patil	500			
		Total	3006850			

4. Details of shares issued pursuant to Sections 391 to 394 of the Companies Act, 1956.

The Hon'ble High Court of Mumbai vide its Order dated August 29, 2008 has approved the Scheme of Amalgamation entered into by the company under Section 391 and 394 of the Companies Act, 1956 with three



companies namely M/s. Ajay Wire Private Limited (AWPL), Kamdhenu Wire Private Limited (KWPL) and Shriram Wire Private Ltd (SWPL). As per this Order, 22, 96, 862 equity shares of Rs. 10/- each of our company were issued to the shareholders of these companies in the ratio stated below:

Sr. No	No. of equity shares of Rs. 10 each in Bedmutha Industries Ltd. (Issuer and Transferee Company)	In exchange of no. of equity shares held	Name of the Transferor Company
1.	138	10	Ajay Wire Products Private Limited
2.	135	10	Kamdhenu Wire Private Limited
3.	11	10	Shriram Wire Private Ltd

The details of shares allotted in the scheme of amalgamation are as under:

Name of Allottees	Number of Equity Shares Allotted
Mr. K.R. Bedmutha	2,22,315
Mr. Vijay Bedmutha	37,258
Mr. Ajay Vedmutha	2,49,130
Mrs. Usha V. Bedmutha	2,13,396
Bedmutha Sons Realty Ventures Private Limited	20,250
Mrs. Vinita A.Vedmutha	1,91,712
Mrs. Kamalabai K Bedmutha	2,58,660
Mrs. Asha Sethiya	1,21,000
Dr. R. M. Sethiya	71500
Mrs Nilima M. Gaddappa	11,000
Ms. Divya Ajay Vedmutha	180428
Ms. Lavina Ajay Vedmutha	160380
Ms. Sneha Vijay Vedmutha	160380
Mr. Yash V. Vedmutha	160380
Elme Plast Company	9450
Shri K. R.Bedmutha HUF	226248
Mr. Rajendra Z. Bedmutha	1350
Mr. U. R. Bedmutha	2025
Total	22,96,862



5. Our Company has allotted Equity Shares during preceding one year from the date of filing the DRHP with SEBI, which may be lower than the Issue Price and the details of the allotment are as under:

Sr. No	Date of Allotment	Shareholder Category	No. of Shares	Issue Price (Rs.)	Nature of Allotment
1	20.06.2009	Mrs. Kamlabai K. Bedmutha Mr. Nayansukha Ratanchand Bedmutha Mrs. Vimal Nayansukha Bedmutha Mr. Sudhir Nayansukha Bedmutha Mr. Khanderao Tanaji Patil Mr. Vishal Khanderao Patil Mr. Kachru Punjaba Hole Mr. Praveen Rathi Mrs. Surekha Rathi Mrs. Shata R. Daga Mr. Amit Ashok Jain Mr. Dilip Dinkar Kulkarni Mrs. Asha Hemant Gupte Mr. Sanjay Balasaheb Nagarkar Mr. Vikas Sasidharan Nair Mr. Devdatta Wasudevrao Wadhane Mr. Rajesh Ramakrishnan Nair Mrs. Priya Satish Hiren Mrs. Chhaya aniruddha Jajoo Mrs. Pooja Ulhas Patil TOTAL	5,137 1875 1875 1125 750 750 150 1500 1500 1500 750 750 750 150 150 750 750 1500 1500 1500 24,712	26.67	Further Allotment
2	31.10.2009	As per list given in Point No 6 of Note No. 3 above	30,06,850	-	Bonus Shares in the ratio of 1 Equity Shares for every 3 shares held



6. We presently do not intend or propose to alter our capital structure for a period of six months from the Bid/ Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. Additionally, if we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider using our Equity Shares as currency for acquisitions or participation in such joint ventures we may enter into and/or we may raise additional capital to fund accelerated growth, subject to the compliance with the relevant regulations etc.

7. Details of build up of our Promoters' shareholding in our Company:

Name of the Promoter: Mr. Kachardas R Bedmutha

Date on which the equity shares were allotted / acquired and made fully paid up or transferred	Nature of allotment	Number of Equity shares	Nature of payment of consideration	Face value Rs.	Issue/ Transfer / Acquisition Price per Share (Rs.)	% of Pre-issue Capital	% of Post-issue Capital
August 23, 1990	Subscription to MOA	100	Cash	10	10	0.00	0.00
March 22, 1991	Transfer	100	Cash	10	10	0.00	0.00
February 25, 1993	Further Allotment	46000	Cash	10	10	0.38	0.22
February 14, 1997	Further Allotment	900	Cash	10	25	0.01	0.00
March 27, 1997	Bonus	141300	Bonus out of revaluation reserves and Capital Reserve in the ratio 3:1	10	-	1.17	0.67
March 27, 1997	Transfer	(400)	Cash	10	10	0.00	0.00
April 14, 2000	Transfer	4000	Consideration other than Cash	10	10	0.03	0.02
June 09, 2004	Transfer	24000	Cash	10	10	0.20	0.11
March 02, 2007	Transfer from Kachardas R Bedmutha (HUF)	44330	Cash	10	10	0.37	0.21
March 19, 2008	Bonus	260330	Bonus out of free reserves in the ratio 1:1	10	-	2.16	1.24
December 05, 2008	Further Allotment	222315	Consideration other than Cash	10	10	1.85	1.06
December 10, 2008	Transfer	32995	Cash	10	10	0.27	0.16
April 13, 2009	Transfer	239048	Cash	10	10	1.99	1.14



October 31, 2009	Bonus	338339	Bonus out of free reserves in the ratio 1:3	10	-	2.81	1.61
	Total	1353357				11.25	6.44

*Commencing from the date of the Allotment of the Equity shares in the Issue.

Name of the Promoter: Mr. Vijay K. Vedmutha

Date on which the equity shares were allotted / acquired and made fully paid up or transferred	Nature of allotment	Number of Equity shares	Nature of payment of consideration	Face value Rs.	Issue Price Rs.	% of Pre-issue Capital	% of Post-issue Capital
August 23, 1990	Subscription to MOA	100	Cash	10	10	0.00	0.00
March 22, 1991	Transfer	200	Cash	10	10	0.00	0.00
February 25, 1993	Further Allotment	26890	Cash Consideration other than cash			0.41	0.23
		22110					
February 14, 1997	Further Allotment	900	Cash	10	25	0.01	0.00
March 27, 1997	Bonus	150600	Bonus out of revaluation reserves and Capital Reserve in the ratio 3:1	10	-	1.25	0.72
March 27, 1997	Transfer	(800)	Cash	10	10	-0.01	0.00
October 01, 1998	Further Allotment	1643768	Consideration other than Cash	10	24.44	13.67	7.82
March 31, 2006	Transfer	(1550943)	Cash	10	10	-12.90	-7.38
March 02, 2007	Transfer	28000	Cash	10	10	0.23	0.13
March 19, 2008	Bonus	320825	Bonus out of free reserves in the ratio 1:1	10		2.67	1.53
December 05, 2008	Further Allotment	37258	Consideration other than Cash	10	10	0.31	0.18
March 25, 2009	Transfer	135000	Cash	10	10	1.12	0.64
April 13, 2009	Transfer	1577136	Cash	10	10	13.11	7.50
October 31, 2009	Bonus	797015	Bonus out of free reserves in the ratio 1:3	10	-	6.63	3.79
	Total	3188059				26.51	15.16

*Commencing from the date of the Allotment of the Equity shares in the Issue.



Name of the Promoter: Mr. Ajay K Vedmutha

Date on which the equity shares were allotted / acquired and made fully paid up or transferred	Nature of allotment	Number of Equity shares	Nature of payment of consideration	Face value Rs.	Issue Price Rs.	% of Pre-issue Capital	% of Post-issue Capital
August 23, 1990	Subscription to MOA	100	Cash	10	10	0.00	0.00
March 22, 1991	Transfer	200	Cash	10	10	0.00	0.00
February 25, 1993	Further Allotment	44900	Cash	10	10	0.37	0.21
February 14, 1997	Further Allotment	1000	Cash	10	25	0.01	0.00
March 27, 1997	Bonus	138600	Bonus out of revaluation reserves and Capital Reserve in the ratio 3:1	10	-	1.15	0.66
March 27, 1997	Transfer	(800)	Cash	10	10	-0.01	0.00
April 01, 2000	Further Allotment	50000	Consideration other than Cash	10	10	0.42	0.24
April 01, 2000	Transfer	(33495)	Cash			-0.28	-0.16
September 24, 2003	Transfer	4000	Cash	10	10	0.03	0.02
June 09, 2004	Transfer	6000	Cash	10	10	0.05	0.03
March 25, 2005	Further Allotment	90920	Cash	10	10	0.76	0.43
March 19, 2008	Bonus	301425	Bonus out of free reserves in the ratio 1:1	10	-	2.51	1.43
December 05, 2008	Further Allotment	249130	Consideration other than Cash	10	10	2.07	1.18
December 10, 2008	Transfer	12000	Cash	10	10	0.10	0.06
April 13, 2009	Transfer	1527064	Cash	10	10	12.70	7.26
October 31, 2009	Bonus	797015	Bonus out of free reserves in the ratio 1:3	10	-	6.63	3.79
		31,88,059				26.51	15.16

*Commencing from the date of the Allotment of the Equity shares in the Issue.



Name of the Promoter: Mrs. Usha V Vedmutha

Date on which the equity shares were allotted / acquired and made fully paid up or transferred	Nature of allotment	Number of Equity shares	Nature of payment of consideration	Face value Rs.	Issue/ Transfer Price Rs.	% of Pre-issue Capital	% of Post-issue Capital
August 23, 1990	Subscription to MOA	100	Cash	10	10	0.00	0.00
March 22, 1991	Transfer	100	Cash	10	10	0.00	0.00
February 25, 1993	Further Allotment	16200	Cash	10	10	0.13	0.08
February 14, 1997	Further Allotment	700	Cash	10	25	0.01	0.00
March 27, 1997	Bonus	51300	Bonus out revaluation reserves and Capital Reserves in the ratio 3:1	10	-	0.43	0.24
March 27, 1997	Transfer	(400)	Cash	10	10	0.00	0.00
July 14, 2000	Transfer	4000	Cash	10	10	0.03	0.02
June 09, 2004	Transfer	13500	Cash	10	10	0.11	0.06
March 31, 2006	Transfer	244642	Cash	10	10	2.03	1.16
March 19, 2008	Bonus	330142	Bonus out of free reserves in the ratio 1:1	10		2.74	1.57
December 05, 2008	Further Allotment	213396	Consideration other than Cash	10	10	1.77	1.01
December 10, 2008	Transfer	20995	Cash	10	10	0.17	0.10
April 13, 2009	Transfer	(65814)	Cash	10	10	-0.55	-0.31
October 31, 2009	Bonus	276287	Bonus out of free reserves in the ratio 1:3	10	-	2.30	1.31
	Total	11,05,148				9.19	5.26

*Commencing from the date of the Allotment of the Equity shares in the Issue.

Name of the Promoter: Bedmutha Sons Realty Ventures Private Limited

Date on which the equity shares were allotted / acquired and made fully paid up or transferred	Nature of allotment	Number of Equity shares	Nature of payment of consideration	Face value Rs.	Issue Price Rs.	% of Pre-issue Capital	% of Post-issue Capital
March 02, 2007	Transfer from Ajay Wires Products Pvt Ltd	284936	Cash	10	10	2.37	1.36



Date on which the equity shares were allotted / acquired and made fully paid up or transferred	Nature of allotment	Number of Equity shares	Nature of payment of consideration	Face value Rs.	Issue Price Rs.	% of Pre-issue Capital	% of Post-issue Capital
October 23, 2007	Transfer from Ajay Wires Products Pvt Ltd & Kamdhenu Wires Pvt Ltd	259264	Cash	10	12	2.16	11.79
March 19, 2008	Bonus	544200	Bonus out of free reserves in the ratio 1:1	10	-	4.52	2.59
December 05, 2008	Further Allotment	20250	Consideration other than Cash	10	10	26.86	0.10
March 25, 2009	Transfer to Vijay K Vedmutha	(135000)	Cash	10	10	-1.12	26.02
March 25, 2009	Transfer to Vinita A Vedmutha	(135000)	Cash	10	10	-1.12	-0.64
October 31, 2009	Bonus	279550	Bonus out of free reserves in the ratio 1:3	10	-	2.32	1.33
	Total	1118200				9.30	5.32

Note: Directors of Bedmutha Sons Realty Ventures Private Limited are Mr. Ajay K. Vedmutha , Mr. Vijay K. Vedmutha and Mr. K. R. Bedmutha who hold 31,88,059, 31,88,059 and 13,53,357 Equity Shares respectively in the issuer company.

8. Details of promoters holding which would be locked in for three years

Name of Promoter	Date of Allotment /Transfer	Consideration	Number of Shares	Face Value (Rs.)	Issue/ Transfer Price (Rs.)	% of lock in
Kachardas R. Bedmutha	23/08/1990	Subscription to MOA	100	10	10	0.00
	22/03/1991	Transfer	100	10	10	0.00
	25/02/1993	Further Allotment	46000	10	10	0.22
	14/02/1997	Further Allotment	900	10	25	0.00
	27/03/1997	Bonus	141300	10	-	0.67
	27/03/1997	Transfer	(400)	10	10	0.00
	14/04/2000	Transfer	4000	10	10	0.02
	09/06/2004	Transfer	24000	10	10	0.11
	02/03/2007	Transfer	44330	10	10	0.21



Name of Promoter	Date of Allotment /Transfer	Consideration	Number of Shares	Face Value (Rs.)	Issue/ Transfer Price (Rs.)	% of lock in
	19/03/2008	Bonus	260330	10	-	1.24
	05/12/2008	Further Allotment	222315	10	10	1.06
	10/12/2008	Transfer	7995	10	10	0.04
Total (a)			750970			3.57
Vijay K. Vedmutha	23/08/1990	Subscription to MOA	100	10	10	0.00
	22/03/1991	Transfer	200	10	10	0.00
	25/03/1993	Further Allotment	49000	10	10	0.23
	14/02/1997	Further Allotment	900	10	25	0.00
	27/03/1997	Bonus	150600	10	-	0.72
	27/03/1997	Transfer	(800)	10	10	0.00
	01/10/1998	Further Allotment	1643768	10	24.44	7.82
	31/03/2006	Transfer	(1550943)	10	-	-7.38
	02/03/2007	Transfer	28000	10	10	0.13
	19/03/2008	Bonus	320825	10	-	1.53
Total(b)			641650			3.05
Ajay K. Vedmutha	23/08/1990	Subscription to MOA	100	10	10	0.00
	22/03/1991	Transfer	200	10	10	0.00
	25/02/1993	Further Allotment	44900	10	10	0.21
	14/02/1997	Further Allotment	1000	10	25	0.00
	27/03/1997	Bonus	138600	10	-	0.66
	27/03/1997	Transfer	(800)	10	10	0.00
	01/04/2000	Further Allotment	50000	10	10	0.24
	01/04/2000	Transfer	(33495)	10	10	-0.16
	24/09/2003	Transfer	4000	10	10	0.02
	09/06/2004	Transfer	6000	10	10	0.03
	25/03/2005	Further Allotment	90920	10	10	0.43
	19/03/2008	Bonus	301425	10	-	1.43
	05/12/2008	Further Allotment	249130	10	10	1.18
Total(c)			851980			4.05
Bedmutha Sons Realty Ventures Private Limited	02/03/2007	Transfer	284936	10	10	1.36
	23/10/2007	Transfer	259264	10	12	1.23
	19/03/2008	Bonus	544200	10	10	2.59
Total (d)			1088400			5.18



Name of Promoter	Date of Allotment /Transfer	Consideration	Number of Shares	Face Value (Rs.)	Issue/ Transfer Price (Rs.)	% of lock in
Usha V. Vedmutha	23/08/1990	Subscription to MOA	100	10	100	0.00
	22/03/1991	Transfer	100	10	100	0.00
	25/02/1993	Further Allotment	16200	10	100	0.08
	14/02/1997	Further Allotment	700	10	250	0.00
	27/03/1997	Bonus	51300	10	-	0.24
	27/03/1997	Transfer	(400)	10	10	0.00
	14/07/2000	Transfer	4000	10	10	0.02
	09/06/2004	Transfer	13500	10	10	0.06
	31/03/2006	Transfer	244642	10	10	1.16
	19/03/2008	Bonus	330142	10	-	1.57
	05/12/2008	Further Allotment	213396	10	10	1.01
	10/12/2008	Transfer	20995	10	10	0.10
Total (e)			873680			4.15
Total (a)+(b)+(c)+(d)+(e)			4206680			20.01

Note: The bonus shares are considered to the extent issued on eligible shares

- 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. Further these securities will not be disposed / sold / transferred by the Promoters during the period starting from the date of filing the DRHP with SEBI till the date of commencement of lock in period as stated in the RHP.

9. Equity Shares locked-in for one year

- In addition to 20 % of Post Issue shareholding of our company held by the promoters and locked in for 3 years as specified above, the entire pre issue share capital of our company will be locked in for a period of 1year from the date of allotment in this issue.
- All the Equity Shares, which are being locked in for three years, are not ineligible for computation of promoter's contribution and lock in as per regulation 33 of SEBI (ICDR) Regulations 2009.

10. We confirm that the minimum Promoters' Contribution of 20% of the Post-issue Capital which is subject to lock-in for three years does not consist of :

- Equity Shares acquired within three years before the filing of the Draft Red Herring Prospectus with SEBI for consideration other than cash and revaluation of assets or capitalization of intangible assets or resulting from bonus shares issued out of revaluation reserves or reserves without accrual of cash resources or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution.
- Securities acquired by our Promoters, during the preceding one year, at a price lower than the price at which equity shares is being offered to public in the Initial Public Offer.
- Shares issued to our Promoters on conversion of partnership firms into limited company.



- Pledged securities held by the promoters with any creditor (in terms of regulation 33(1) (d) of SEBI (ICDR) Regulations, 2009.
- Private Placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the minimum Promoters' contribution subject to lock-in.

The Promoters have by a written undertaking consented to have such number of Equity Shares, held by them to be considered as promoter's contribution and locked-in, which should constitute 20% of the post issue Equity Shares capital of the Company for a period of three years from the date of Allotment ("**Promoter's Contribution**").

11. In terms of regulation 39 of SEBI (ICDR) Regulations 2009, Equity Shares held by the Promoters and locked in can be pledged only with scheduled commercial banks or public financial institutions as collateral security for any loans granted by such banks or financial institutions, provided that the pledge of shares is one of the conditions under which the loan is sanctioned. Further, Equity Shares locked in as minimum promoters' contribution may be pledged only in respect of a financial facility which has been granted for the purpose of financing one or more of the objects of the Issue.
12. In terms of regulation 40 of SEBI (ICDR) Regulations 2009, subject to the provisions of Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997, the specified securities held by promoters and locked-in as per regulation 36 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer and the specified securities held by persons other than promoters and locked-in as per regulation 37 may be transferred to any other person holding the specified securities which are locked-in along with the securities proposed to be transferred: Provided that lock-in on such specified securities shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.
13. Our Company does not have any Employee Stock Option Scheme /Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
14. There is no transaction of purchase and sale of securities by our Promoters, their relatives and associates or the Promoter Group (as defined under sub-clause (zb) sub-regulation(1), Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of the Company, during a period of six months preceding the date of this RHP.



15. Shareholding pattern of our Company before and after the Issue

The table below presents the Equity Shareholding pattern of our Company before the proposed Issue and as adjusted for the Issue.

Category of shareholders	No. of shareholders	Pre Issue		Post Issue	
		Number of Shares	%	Number of Shares	%
A. Shareholding of Promoter and Promoter Group					
1. Indian					
Individuals/ Hindu Undivided Family	13	10797867	89.77	10797867	51.35
Central Government/ State Government(s)	-	-	-	-	-
Bodies Corporate	-	-	-	-	-
Bedmutha Sons Realty Ventures Pvt. Limited	1	1118200	9.30	1118200	5.32
Financial Institutions/ Banks	-	-	-	-	-
Any Others	-	-	-	-	-
Sub Total(A)(1)	14	11916067	99.07	11916067	56.67
2. Foreign					
Individuals (Non-Residents Individuals/Foreign Individuals)	-	-	-	-	-
Bodies Corporate	-	-	-	-	-
Institutions	-	-	-	-	-
Any Others(Specify)	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	14	11916067	99.07	11916067	56.67
B. Public shareholding					
1. Institutions	-	-	-	-	-
Mutual Funds/ UTI	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-
Central Government/ State Government(s)	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-
Insurance Companies	-	-	-	-	-
Foreign Institutional Investors	-	-	-	-	-
Foreign Venture Capital Investors	-	-	-	-	-
Any Other (specify)	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-
2. Non-institutions	-	-	-	-	-
Bodies Corporate	-	-	-	-	-
Individuals	-	-	-	-	-
Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	20	74668	0.62	74668	0.36
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	6	36665	0.31	36665	0.17
Any Other (specify)	-	-	-	-	-
Public Issue	-	0	0.00	9000000	42.80
Sub-Total (B)(2)	26	111333	0.93	9111333	43.33
Total Public Shareholding (B)=(B)(1)+(B)(2)	26	111333	0.93	9111333	43.33
TOTAL (A)+(B)	40	12027400	100.00	21027400	100.00
Shares held by custodians and against which Depository Receipts have been issued	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	40	12027400	100.00	21027400	100.00



16. Except as set forth below, none of the Directors or Key Managerial Personnel holds equity shares:

Sr. No.	Name of Shareholder	No. of Equity Shares held	Pre Issue %	Post Issue %
<u>Directors</u>				
1	Mr. K. R. Bedmutha	1353357	11.25	6.44
2	Mr. Vijay K. Vedmutha	3188059	26.51	15.16
3	Mr. Ajay K. Vedmutha	3188059	26.51	15.16
<u>Key Managerial Personnel</u>				
1	Ms. Vinita A. Vedmutha	1105148	9.19	5.26
2	Mr. Vikas Nair	200	0.00	0.00

17. Shareholders of the Company and the number of Equity Shares held by them

- (i) Top ten shareholders of Company as on the date of the filing of this Red Herring Prospectus are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Mr. Vijay K.Vedmutha	3,188,059	26.51
2	Mr. Ajay K.Vedmutha	3,188,059	26.51
3	Mr. K.R.Bedmutha	1,353,357	11.25
4	Bedmutha Sons Realty Ventures Pvt. Ltd.	1,118,200	9.30
5	Ms. Vinita A.Vedmutha	1,105,148	9.19
6	Ms. Usha V.Vedmutha	1,105,148	9.19
7	Ms. Kamalabai K.Bedmutha	524,529	4.36
8	Ms. Asha Sethiya	172,000	1.43
9	Dr. R. M. Sethiya	123,067	1.02
10	Mr. Madanlal U. Desarda	16,000	0.13
11	Mr. Devendra M. Desarda	16,000	0.13
12	Ms. Bhavna C. Mehta	16,000	0.13
	Total	11,893,567	99.15

- (ii) Top ten shareholders of Company as of ten days prior to the filing of this Red Herring Prospectus are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Mr. Vijay K.Vedmutha	3,188,059	26.51
2	Mr. Ajay K.Vedmutha	3,188,059	26.51
3	Mr. K.R.Bedmutha	1,353,357	11.25
4	Bedmutha Sons Realty Ventures Pvt. Ltd.	1,118,200	9.30
5	Ms. Vinita A.Vedmutha	1,105,148	9.19
6	Ms. Usha V.Vedmutha	1,105,148	9.19
7	Ms. Kamalabai K.Bedmutha	524,529	4.36



Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
8	Ms. Asha Sethiya	172,000	1.43
9	Dr. R. M. Sethiya	123,067	1.02
10	Ms. Madanlal U. Desarda	16,000	0.13
11	Mr. Devendra M. Desarda	16,000	0.13
12	Ms. Bhavna C. Mehta	16,000	0.13
	Total	11,893,567	99.15

(iii) Top ten shareholders of Company as of 2 years prior to the filing of this Red Herring Prospectus are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Bedmutha Sons Realty Ventures Pvt. Ltd.	544,200	16.25
2	Ms. Usha V. Vedmutha	330,142	9.86
3	Mr. Vijay K Vedmutha	320,825	9.58
4	Ms. Sneha Vedmutha	311,454	9.30
5	Mr. Ajay K. Vedmutha	301,454	9.00
6	Mr. Yash Vedmutha	301,454	9.00
7	Ms. Divya Vedmutha	301,454	9.00
8	Ms. Lavina Vedmutha	301,454	9.00
9	Mr. Kachardas R Bedmutha	260,330	7.77
10	Ms. Vinita A. Vedmutha	216,480	6.46
	Total	3,189,247	95.22

18. None of our Promoters, Promoter Group Entities, Directors or the relatives thereof have financed the purchase of the Equity Shares of our Company, by any other person or entity during the period of six months immediately preceding the date of filing the Red Herring Prospectus with SEBI.
19. 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.
20. 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.
21. In the case of over-subscription in all categories upto 50% of the Issue to the Public shall be available for allotment on a proportionate basis to QIBs, of which 5% shall be available for allotment on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion would be available for allotment on a proportionate basis to all QIB Bidders, including Mutual Funds; not less than 15% of the Issue to the Public shall be available for allotment on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue to the Public shall be available for allotment on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
22. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment.



Consequently, the actual allotment may go up by a maximum of 10% of the Issue as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. It will be ensured that the minimum contribution of promoters to the extent of 20% of the Post Issue paid-up capital is locked in for a period of 3 years.

23. 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 BRLMs. If the aggregate demand by Mutual Funds is less than 5% of QIB Portion, the balance share available for allotment in the Mutual Fund Portion will be added to the QIB Portion.
24. Our Company has not raised any bridge loan against the proceeds of the Issue.
25. No shares of the company are pledged as on the date of this offer document
26. 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.
27. 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.
28. 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.
29. The total number of members of our Company as on the date of filing RHP is 40.
30. As on date of filing of this Red Herring Prospectus with SEBI, the entire Issued Share Capital of our Company is fully paid-up.
31. We confirm that our BRLMs do not hold any shares in our company.
32. 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.
33. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our promoters to the persons who receive allotments, if any, in this issue.
34. Our promoter and Promoter Group will not participate in this issue



OBJECTS OF THE ISSUE

The object of the Issue is to finance:

- Setting up of new plant at Sinnar, Nashik for manufacturing of new product Low Relaxation Pre-Stress Concrete (LRPC) Wire and Spring Steel Wire.
- General Corporate Purposes
- Issue Expenses

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on BSE and NSE.

The main object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue.

Use of Issue Proceeds

The details of the utilization of proceeds of this Issue are summarized in the following table:

Particulars	Amount (Rs in Lacs)
Setting up of new plant at Sinnar, Nashik for manufacturing of new product LRPC Wire and Spring Steel Wire	8494.40
General Corporate Purpose	[•]
Issue Expenses	[•]
Total	[•]

The fund requirements are based on internal management estimates; quotations received from the third parties and have not been appraised by any bank or financial institution or any other independent agency.

Means of Finance:-

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from our internal accruals. Set forth below are the means of finance for the above-mentioned fund requirement:

Particulars	Amount (Rs in Lacs)
Internal Accruals	[•]
Issue Proceeds	[•]
Total	[•]

As on date there is no bridge loan or other financial arrangement which may be repaid from the proceeds of the issue.

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



Appraisal Report

The project for which the Issue proceeds will be utilised has not been appraised by any financial institution/bank.

Details of Object of the Issue

A. Setting up of new plant at Sinnar, Nashik for manufacturing of new product i.e. LRPC Wire and Spring Steel Wire.

Our Company proposes to set up new plant to manufacture new product "LRPC Wire" with installed capacity of 36000 MTPA and Spring Steel Wire with installed capacity of 18000 MTPA. This will enable us to have a wider product range.

The total cost of this project is estimated at Rs. 8494.40 Lacs. The detailed break-up is given as under:

Sr. No.	Particulars	Amount (Rs in Lacs)
1	Land	656.60
2	Site development, Civil Work and Building Construction	2281.10
3	Plant & Machinery and other Ancillaries	3980.44
4	Furniture and Fixtures	27.45
5	Electrical installations	597.13
6	Pre-Operative Expenses	193.00
7	Provision for contingencies	141.58
8	Margin Money for working capital	617.10
	Total	8494.40

1. Land

Our company requires approximately 15 acres of land to implement the proposed expansion.

We have already acquired land admeasuring 3.32 acres at Gut no. 931/1, Musal Gaon, Sinnar, Nashik vide two sale deed agreements dated November 14, 2008 and October 09, 2009. The total consideration paid for the said land is Rs. 56.60 lacs.

Our company has also entered into an Agreement dated March 16, 2010 to acquire land from Promoters - Mr. K.R. Bedmutha and Mr. Ajay K. Vedmutha, joint owners of Gut no. 270 (274) 8 /1 and 2 Sinnar, Nashik admeasuring 12 acres of land amounting to Rs. 600.00 lacs out of which an amount of Rs. 352.80 lacs has been paid as advance.

The above land is adjacent to our present manufacturing facilities at Sinnar, Nashik and the same is located in the industrial zone. The land acquired/to be acquired by our company is free from all encumbrances and shall have a clear title.

The land admeasuring 3.32 acres (2 parcels of land) is located at Gut no. 931/1, Musal Gaon, Sinnar, Nashik & has been bought by the Company at a total consideration of Rs. 56.60 Lacs vide two sale deed agreements dated November 14, 2008 and October 09, 2009. These land parcels are situated in a land locked area surrounded by the industrial region from all the sides, making the land ineffectual for the seller. Further, the land is made of rocky terrain which required a comparatively higher investment to make it usable. Apart from this, the land parcel admeasuring about 1 acre bought by the Company vide sale deed dated November 14, 2008 @ Rs. 6.00 Lacs had a very steep slope which needed heavy ground filling work to be done. Other parcel of land admeasuring about 2.32 acre has been bought at a consideration of about Rs.50 lacs. As the said land was adjacent to the present set up (Plant II) of the Company, same is easily serviceable by the company and hence acquired by the company.

On the other hand, the land admeasuring 12 acres at Gut no. 270 (274) 8 /1 and 2 Sinnar, Nashik which is being bought by the Company for Rs. 600.00 lacs is located in proper 'Sinnar' region. The said land falls



under ribbon of extended Nashik Metro Regional Plan. Besides, it is in close proximity to the residential zone, has easy access to 60 ft road and adjacent to Plant no 1 which makes the cost of the land significantly higher. Said land is very strategically located near the proposed SEZ being set-up on 2500 hectares area making it more costly. Since Company proposes to utilize the said land for proposed expansion, same is being bought at present valuation which is based on valuation report dated 07/09/2008 by S.A. Dhamne & Associates, an independent Government approved & registered valuer.

2. Site Development, Civil Work and Building Construction

We propose to deploy part of the proceeds of the Issue towards the site development, civil work and building construction amounting to Rs. 2281.10 Lacs.

The breakup of cost is as given in the table below. The same has been certified by Nilesh Mohanlal Kataria, M. Arch (Architectural Conservation), having its office at 1, Malabar Hill Apartments, Behind Rush Raj Avenue, Sharanpur Link Road, Nashik- 422005, Tel: (0253) 2311679; Email id: n_kataria2001@yahoo.com vide their letter dated December 10, 2009.

(Rs in Lacs)				
Sr. No.	Particulars	Area (Sq Mts)	Rate/Sq Mts	Total Amount
1.	Site Development			
a)	Compound Wall, Gate	-	-	34.00
b)	Land Development and Misc. Civil Work	61280	318	195.00
	Total Land Development Cost (A)			229.00
2.	Construction Cost (B)			
1.	Factory Building	12000	10000	1200.00
2.	Office Block (Admin Building)	3800	10,000	380.00
3.	Die Polish, Finished Material Storage	1320	15000	198.00
4.	Pickling and services including tanks			25.00
5.	Guest House	1320	15000	198.00
6.	Effluent Treatment Plant	18000 ltrs	15	5.40
7.	Furniture & Fixtures	-	-	45.70
	Total Construction Cost (B)			2052.10
	Total (A+B)			2281.10

3. Plant & Machinery and other Ancillaries

We are proposing to purchase the following machineries for our new plant. We have received quotations from various suppliers for the mentioned machineries, details of which are as follows:-

Summary of Plant & Machinery:

(Rs in Lacs)		
Sr. No.	Particulars	Amount
1.	Indigenous Machinery	868.42
2.	Imported Machinery	2784.54
3.	Other Ancillaries	327.48
	Total	3980.44

Indigenous Machineries

Sr. No.	Description of Machineries	Qty	Quotation No. & date	Name of the vendor	Amount* (Rs in Lacs)
1	Wire Pointing Machine HC Wire 14mm to 4mm	2	AML/BWC/2009-10/1227 & 29.10.2009	ASSOMAC Machines Ltd	5.12
2	Butt Welding M/c with Grinder HC 14mm to 4mm	2			4.78
3	Spool DIN 2500	50			204.69



Sr. No.	Description of Machineries	Qty	Quotation No. & date	Name of the vendor	Amount* (Rs in Lacs)
4	Spool DIN 1120	500			454.87
5	Universal Testing Machine Computerised capacity 60 Ton	1	REF:FM:QTN:R219 & 18.12.2009	Fine Marketing, Mumbai	7.4
6	Profile Projector	1	REF:FM:QTN:R219 & 18.12.2009	Fine Marketing, Mumbai	0.98
7	Carbon & Sulphur determination Apparatus	1	PSPL/MAH/4574/200 9-10 & 29.10.2009	P.S.I Sales Pvt Ltd	0.44
8	Bend Test Machine (Motorized)	1			0.65
9	Low Relaxation Testing M/c	1	-	Yet to be identified	6.65
10	Weighing scale	3	AIL/SL/01/F2 ISSUE 1 & 22.07.2010	Avery India Ltd, Nashik	5.32
11	Oven	1	CF/PR/2010-11 & 31.08.2010	Continental Furnaces, Faridabad	4.89
12	Die Shop	1	Offer No. 514 & 22.07.2010	Ajex & Turner Wires Dies Co, Nashik	40.93
13	Pickling	1	MRC/09-10-222 & 29.07.2009	Shiwali Engineering Services, Nashik	94.07
14	ETP	2	181/SEPL/BWCL/09-10 & 08.12.2009	Sukriti Engineers (P) Ltd, Nashik	37.63
Total					868.42

*All amounts are inclusive of freight charges, VAT, excise duty etc

Imported Machineries

Sr. No.	Description of Machineries	Qty	Quotation No. & date	Name of the vendor	Amount (Euro)	Amount* (Rs in Lacs)
1.	Low relaxation Line	1	AIN090909 rev0 & 18.01.2010	Mario Frigerio SPA Company, Switzerland	18,34,750	1459.44
2.	Drawing Machine Line 1	1			8,21,790	653.68
3.	Drawing Machine Line 2	1			8,44,090	671.42
Total					35,00,630	2784.54

*All amounts are inclusive of freight charges, VAT, excise duty etc

Euro 1= Rs 65.20 (source: www.rbi.org)



Other Ancillaries

Sr. No.	Description of Machineries	Qty	Quotation No. & date	Name of the vendor	Amount* (Rs in Lacs)
1.	Diesel Genset	1	26.09.2009	Powerica Ltd, Pune	30.53
2.	AMFC Panel	1	26.09.2009	Powerica Ltd, Pune	9.10
3.	Cooling Tower Model GCT-150	3	BWCL/090403/Q-GCT01 & 3.03.2009	Atharva Enterprises, Nashik	5.47
4.	Diesel Forklift truck	2	PNE/BWCL/3528 & 23.07.2010	Godrej & Boyce Mfg. Co. Ltd, Mumbai	24.14
5.	Escort Crane	1	MEJC/0910/C-8000/007 & 26.10.2009 #	Mangalam Equipments, Aurangabad	13.56
6.	Double Girder EOT Crane	2	HCI/GPD/002/10/09/98 & 02.10.2009	Hi Tech Crane Industries, Pune	37.17
7.	Screw Air Compressor E-45	1	2312052 & 22.07.2010	ELGI Equipments Ltd, Mumbai	8.72
8.	Electronic weigh bridge 100 Ton	1	EDPL/BBV/BWCL/2009-10 & 30.09.2009	Essae Digitronics Pvt Ltd,	12.10
9.	Cabling & Server		RIPL/11/101 & 17.12.2009	Racca Infotech Pvt Ltd	11.61
10.	SAP/ERP	1	257.0.66.3 & 26.07.2010	My tech Soft IT tools & Solutions	150.06
11.	ACID PIPES	1	Q.No. 7350 & 17.12.2009	Jain Pipes, Nashik	6.27
12.	Water Pumps sets and Boring	1	AML/BWC/2010-11/826 dated 26.07.2010 and AML/BWC/2010-11/796 dated 22.07.2010	Assomac Machines Ltd, Ghaziabad	18.75
	Total				327.48

* All amounts are inclusive of freight charges, VAT, excise duty, installation, commissioning etc

The validity of the quotation has expired and the Company is taking up with the supplier for its extension.

We have considered the above quotations for the budgetary estimates and have not placed orders for any of the above plant and machinery. The actual cost of procurement and actual supplier may vary. We do not intend to purchase any second hand machineries.

4. Furniture & Fixtures

Sr. No.	Description of Furniture	Qty	Quotation No. & date	Name of the vendor	Amount (Rs in Lacs)
1.	Wooden Partition including glass, sunmica etc	300 sq.mtr	Qtn No. KRCOMBINE/QT/09-10/001	Kumars Combine ,Nashik	15.00
2.	Wooden Door and hardware material	25 sq.mtr			1.31
3.	Luxury Chairs	50			1.50
4.	Standard Office Table	25			1.00
5.	Computer Table	50			2.50



Sr. No.	Description of Furniture	Qty	Quotation No. & date	Name of the vendor	Amount (Rs in Lacs)
6.	Wooden Rack with shutter	150			4.84
	Total				27.45

5. Electrical Installations

Sr. No.	Description of Machineries	Qty	Quotation No. & date	Name of the vendor	Amount (Rs in Lacs)
1.	Transformer	1	Qtn No 233 & 12.12.2009	Surya Electrical & Services, Nashik	46.38
2.	Power sub Station	1			289.87
3.	Power Distribution	1			173.92
4.	Cables	1			86.96
	Total				597.13

6. Pre-Operative Expenses

An amount of Rs. 193.00 lacs has been estimated towards financial and technical consultancy fees, travelling expenses, interest during construction period, processing fees etc.

7. Contingencies

Our Company has provided for contingencies as Rs.141.58 Lacs which amounts to 2% of the cost of Building, Plant and Machinery, Furniture, Electrical Installation and Pre operative Expenses amounting to Rs. 7079.12 Lacs.

8. Margin Money for Working Capital

The working capital margin requirement has been calculated on the basis of additional working capital which will be required after the implementation of expansion plans of our Company. These expansions plans are expected to be completed in FY 2010- 2011.

Raw Material (RM), Work in Progress (WIP), Finished Goods (FG) and Auxiliary material have been taken at various levels, which is in consonance with the industry practice and past trends.

	Holding Period (Days)	Holding Period (Months)	As per FY 31/3/2010 (Rs. in lacs)	Estimates considering the expansion (Rs. in lacs)
Current Assets				
Raw Material	37.5	1.25	1848.29	3514.25
Finished Goods	15.0	0.50	458.11	1424.72
WIP	15.0	0.50	1818.51	1374.21
Debtors	75.0	2.50	3369.35	7879.33
Sub-Total (A)			7494.26	14192.51
Current Liabilities				
Creditors :				
Goods and other expenses	45.0	1.50	3031.36	3030.83



Current Assets	Holding Period (Days)	Holding Period (Months)	As per FY 31/3/2010 (Rs. in lacs)	Estimates considering the expansion (Rs. in lacs)
Sub-Total (B)			3031.36	3030.83
Working Capital Gap (A-B)			4462.90	11161.68
Actual/Projected Net Working Capital available			52.36	3548.13
Permissible Bank Finance			4515.26	7613.55
Additional Margin Required after Expansion (to be financed through Public Issue)			-	617.10

Presently, our company has received sanction for working capital facilities from: Punjab National Bank, Andhra Bank and Bank of India in consortium agreement for Rs. 4900.00 lacs. Our Company will approach the bankers for additional working capital facilities to the extent of Rs. 2713.55 lacs (say Rs. 2700.00 lacs)

All the above projections are based on management estimates and have not been appraised by any bank or financial institution.

B. General Corporate Purposes

Our Company proposes to strengthen the marketing set up and invest in brand building initiatives & distribution network. Our management has designed various marketing strategies to be implemented.

The strategy for strengthening the marketing set up is:

- To create market awareness for our company's products in the domestic and international markets
- To advertise and promote sales through sponsorships, direct marketing, exhibitions and communicate to the construction, infrastructure and automobile industry.
- To register with Government Institutions and be an approved vendor of large corporates.

We intend to set aside an amount of Rs [●] Lacs for the above mentioned activities.

C. Issue Expenses

The total expenses of the Issue are estimated to be approximately Rs. [●] Lacs. The Issue related expenses include, among others, Issue management fees, registrar fees, printing and distribution expenses, fees of the legal counsels, advertisement and road show expenses, stamp duty, depository charges, listing fees to the Stock exchanges etc. The break - up of the total expenses for the Issue estimated at approximately [●] % of the Issue Size is as follows*:

Activity	Expenses (Rs in Lacs)	As a % of Total Issue Expenses	As a % of total Issue Size
Listing & Annual fees & expenses of the SEBI	[●]	[●]	[●]
Lead Management fees, underwriting & selling commissions	[●]	[●]	[●]
Advertising & Marketing expenses	[●]	[●]	[●]
Printing & Stationery	[●]	[●]	[●]
Commission to syndicate members and SCSBs	[●]	[●]	[●]



Activity	Expenses (Rs in Lacs)	As a % of Total Issue Expenses	As a % of total Issue Size
Other (Registrar's fees, legal fees, grading expenses etc)	[•]	[•]	[•]
Total estimated issue expenses	[•]	[•]	[•]

Schedule of Implementation

Sr. No.	Activities	Commencement	Completion
Setting up of new plant at Sinnar, Nashik for manufacturing of new product LRPC Wire and Spring Steel Wire			
1	Land - Gut No. 931/1 Musalgaon - Gut No. 270(274) 8/1 and 2 Sinnar	- Commenced (MOU Entered)	Completed October 2010
2	Site Development, Civil Work & Building Construction	October 2010	April 2011
3	Machineries selection, order Placing & Delivery & other Ancillaries	May 2010	March 2011
4	Furniture & Fixtures	March 2011	May 2011
5	Electrical Installation	December 2010	April 2011
6	Erection, Commissioning, Installation	April 2011	June 2011
7	Trial Production	July 2011	August 2011
8	Commercial Production	September 2011	-

Sources and Deployment of Funds

As per the certificate dated July 26, 2010 issued by M/s. Patil Hiran Jajoo & Co, Chartered Accountants, details of funds deployed upto July 16, 2010 and the sources of funds are tabulated below:

(Rs in Lacs)	
Particulars	Amount
Deployment of Funds:	
Land	56.75
Pre- Operative Expenses	83.39
Issue Expenses	53.18
Advance given for land	352.80
Total	546.12
Sources of Funds:	
Internal Accruals	546.12
Total	546.12



Year Wise Break-up of Funds

(Amt. in Lacs)

Sr. No.	Activities	Already Deployed till July 16, 2010	August 2010	Sept 2010-March 2011	April 2011-March 2012	Total Amount
I.	Setting up of new plant at Sinnar, Nashik for manufacturing of new product LRPC Wire and Spring Steel Wire					
a)	Land	409.55	-	247.05	-	656.60
b)	Site Development, Civil Work & Building Construction	-	-	2281.10	-	2281.10
c)	Machineries selection, order Placing & Delivery & Other Ancillaries	-	-	3980.44	-	3980.44
d)	Furniture & Fixtures	-	-	27.45	-	27.45
e)	Electrical Installations	-	-	597.13	-	597.13
f)	Pre-Operative Expenses	83.39	-	109.61	-	193.00
g)	Contingencies	-	-	141.58	-	141.58
h)	Working Capital Margin Money	-	-	-	617.10	617.10
	Sub Total (I)	492.94	-	7384.36	617.10	8494.40
II.	General Corporate Purpose	-	-	[•]	-	[•]
	Sub Total (III)	-	-	[•]	-	[•]
III.	Issue Expenses (IV)	53.18	[•]	[•]	-	[•]
	Total (I+II+III+IV)	546.12	[•]	[•]	617.10	[•]

Interim use of funds

Pending utilization for the purposes described above, we intend to temporarily invest the funds in quality interest bearing liquid instruments including money market mutual funds, deposit with banks for necessary duration and other interest bearing securities as may be approved by the Board of Directors or a Committee thereof.



Monitoring of Utilisation of Funds

Proposed size of the issue is Rs. [●] Lacs i.e. less than Rs.50,000.00 Lacs. Therefore, in terms of the SEBI (ICDR) Regulations, 2009 appointment of a Monitoring Agency for the purposes of this Issue is not mandatory and hence no Monitoring Agency is being appointed for this Issue.

As required under the listing agreements with the stock exchanges, the audit committee appointed by our Board of Directors will be monitoring the utilisation of the Issue Proceeds. We will disclose the utilisation of the Proceeds, including interim use of funds under a separate head in our quarterly financial disclosures and annual audited financial statements until the issue proceeds remain unutilised, to the extent required under the applicable law and regulation. In connection with the utilization of the proceeds of the issue, the company shall comply with the requirements of the listing agreements with the stock exchanges, including clauses 43A and 49 of the listing agreement as amended from time to time.

No part of the issue proceeds will be paid by the Company as consideration to the Promoters, members of the Promoter Group, Directors or key management personnel of the Company except an amount of Rs. 600.00 lacs payable to Mr. K.R. Bedmutha and Mr. Ajay K. Vedmutha towards consideration of land proposed to be acquired.



BASIS OF ISSUE PRICE

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 our Company by way of book building.

Investors should read the following summary with the Risk Factors included starting from page no. xii and the details about Our Company and its financial statements included in this RHP on page no. 144. 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

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

- Technically qualified promoters and experienced management team with project execution skills
- State of Art manufacturing facilities with latest plant and machinery ensuring high operational efficiency
- Wide range of products catering to various industry segments like power transmission & distribution, cable & conductor industries, agriculture, automobile and ancillaries, road and railway infrastructure, defence etc.
- Well established clientele like Sterlite Industries Limited, Apar Industries Limited, Finolex Cables, RPG Cables Limited, Universal Cable Limited, Ravin Cable, Suprajit Industries, Godrej, GTL Infrastructure, Ashoka Buildcon Limited
- High quality products approved by Power Grid Corporation, Electricity Boards of various States, Bureau of Indian Standards (ISI)
- Our manufacturing processes are ISO certified
- Locational Advantage of manufacturing facilities. Well connected to Highways, Railways and Port.
- We enjoy Package Scheme of Incentives (PSI) awarded by the Government of Maharashtra being located in the backward area for the present expansion of LRPC Wire, our company is entitled to receive Sales Tax Incentive up to 20% of the capital expenditure, exemption in stamp duty ,subsidy in electricity duty by way of refund.

For a detailed discussion on the qualitative factors which form the basis for computing the price, see the sections "Business Overview- Competitive Strengths and Strategy" beginning on pages no. 84.

Quantitative Factors

The factors presented in this section is derived from our Company's restated standalone 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 (Basic and diluted)

Year ended	EPS (Rs.)		Weightage
	Standalone	Consolidated	
31 st March 2010	8.29	10.14	3
31 st March 2009	5.86	5.86 *	2
31 st March 2008	3.01	3.27	1
Weighted average EPS	6.60	7.57	

* During the Financial Year 2008-09 there was no subsidiary of the Company and hence EPS on standalone basis has been considered for the calculation.



Notes:

- i. EPS represents basic earnings per share calculated as per Accounting Standard 20 issued by Institute of Chartered Accountants of India.
- ii. The figures which are disclosed above are based on the restated standalone & consolidated financial information of the company.
- iii. The weighted average number of Equity shares is the number of Equity Shares outstanding at the beginning of the year, adjusted by the number of Equity share issued during the year multiplied by the time- weighting factor. The time- weighting factor is number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.

2. (a) Price to Earnings Ratio (P/E) in Relation to Price Band on standalone basis

Particulars	EPS (Rs.)	PE at lower end of price band (no. of times)	PE at higher end of price band (no. of times)
Based on 2009 – 10 EPS	8.29	11.46	12.30
Based on weighted average EPS	6.60	14.39	15.45

(b) Price to Earnings Ratio (P/E) in Relation to Price Band on consolidated basis

Particulars	EPS (Rs.)	PE at lower end of price band (no. of times)	PE at higher end of price band (no. of times)
Based on 2009 – 10 EPS	10.14	9.37	10.06
Based on weighted average EPS	7.57	12.55	13.47

3. Return on Net Worth

Year Ended	Return on Net Worth (%)		Weight
	Standalone	Consolidated	
March 31, 2010	37.96	45.72	3
March 31, 2009	38.16	38.16*	2
March 31, 2008	27.83	31.12	1
Weighted Average Return on Net Worth (%)	36.34	40.77	

* During the Financial Year 2008-09 there was no subsidiary of the Company and hence Return on Net Worth on standalone basis has been considered for the calculation.

4. Minimum Return on total Net Worth after the Issue required to maintain the pre-Issue adjusted EPS for the year ended March 31, 2010 is Rs. 8.29 which is [•] % (Based on the restated financial statements)

5. Net Asset Value (NAV) per share (Rs.) as per our restated financial information

Particulars	Standalone	Consolidated
a. As on March 31, 2010	Rs. 21.82	Rs. 22.16
b. Issue Price	[•]	
c. Post Issue	[•]	[•]

NAV per equity share has been calculated as Net worth divided by restated weighted average number of equity shares



6. Industry Average

Name of the Companies	P/E
Odessy Corporation Limited (Highest)	101.30
Goodluck Steel Tubes Limited (Lowest)	3.40
Industry Composite	16.90
<i>Source: Capital Market: August 09-22, 2010; Segment – Steel – Medium/Small</i>	

7. Comparison with Industry Peers

Name of the Company	Face Value (Per equity share)	Sales as on 31/03/2010 (Rs. In Crs.)	RONW (%)	Book Value (Rs.)	EPS (Rs.)	P/E Multiple
Usha Martin Limited	1	1850.40	7.30	49.20	2.90	23.40
Ramsarup Industries Limited	10	2057.00	9.90	162.90	12.70	8.20
<i>Source: Capital Market: August 09 – 22, 2010; Segment – Steel - Large & www.bseindia.com</i>						
Rajratan Global Wire Limited	10	147.90	14.20	117.80	20.90	10.00
Odessy Corporation Limited ⁽³⁾	10	2.90	(39.10)	33.10	1.50	101.30
Goodluck Steel Tubes Limited ⁽³⁾	2	477.50	29.30	34.400	8.20	3.40
<i>Source: Capital Market: August 09-22, 2010; Segment – Steel – Medium/Small & www.bseindia.com</i>						
Bedmutha Industries Limited	10	161.84	37.96	21.82	8.29	-

Notes:

- 1) Strictly, our Company cannot be compared with the other listed companies as our Company doesn't have a fully comparable competitor operating in our business segment. However the companies mentioned above have some elements of our main business. Further source of comparison i.e. "Capital Market magazine" does not have an industry classification which matches our business activities. The Companies mentioned above are categorized under "Steel – Large" as well as "Steel – Medium/Small" Category by the Capital Market.
- 2) We consider ourselves as company categorized under the segment – Steel- Medium/Small. However companies like Usha Martin Limited & Ramsarup Industries Limited though they are categorized as "Steel- Large" are considered as they are also producing Steel/galvanized wire amongst other producers.
- 3) Although both these companies are not comparable they are included for the purpose of disclosure as they are trading at Highest and lowest P/E multiple in the segment Steel –Medium/Small.

8. The face value of 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 BRLMs, 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. The BRLMs believe that the Offer Price of Rs. [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "Risk Factors" and "Restated Financial Information" on pages xii and 144 respectively, to have a more informed view. The trading price of the Equity Shares of the Company could decline due to the factors mentioned in "Risk Factors".



STATEMENT OF TAX BENEFITS

To
The Board of Directors
Bedmutha Industries Limited
A/32-35, STICE,
Musalgaon, Tal. Sinnar,
Nasik – 422 103.

Dear Sirs,

Subject : Statement of Tax Benefits.

We the auditors of M/s Bedmutha Industries Limited hereby confirm that the attached annexure details the generally available tax benefits to the Company and its shareholders under the Income Tax Act, 1961 and other Direct Tax Laws presently in force in India, subject to the fact that several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives the Company may not choose to fulfill.

The benefits discussed in the Annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and 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. 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 of these benefits have been or would be met with.

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

for Patil Hiran Jajoo & Co.
Chartered Accountants

Sd/-

Aniruddha Jajoo
Partner
M. No. 103246
FRN No. 120117W

Place: Nashik
Date: 26.07.2010



ANNEXURE TO THE STATEMENT OF TAX BENEFITS :-

The tax benefits listed below are the possible benefits available under the current tax laws in India. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or its Shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

The Company is mainly engaged in Wire drawing and galvanizing & manufacturing of wire products & wire drawing.

A. TO THE COMPANY :-

Special tax benefits:-

The company enjoys sales tax incentives under the Package Scheme of Incentives. The payment of the tax according to the Assessment order passed or that may be passed under section 23,24,25,26 & 27 of the MVAT Act, 2002 and under section 9 of the Central Sales Tax Act 1956 shall be deferred for a period covered in respect of each of the order of assessment passed. Entire amount of tax being deferred is paid in equal annual installments not exceeding five such installments on the expiry of the 10th year, as referred to in clause (d) as per provisions of Rule 81 of MVAT Rules 2005

The expansion being undertaken will fall under the Maharashtra Government's Package Scheme of Incentives 2007, wherein we will be enjoying sales tax incentives maximum to the extent of capital expenditure incurred on for a maximum period of 7 years from the date of commercial production, whichever is earlier by way of refund of MVAT.

General tax benefits :-

The Company will be entitled for the following tax benefits in computing the Taxable Income under the Provisions of the Income Tax Act,1961 (The Act).

1. Under Section 32 of the Act, the Company is entitled to claim depreciation on tangible and intangible assets as explained in the said section.
2. Subject to compliance of certain conditions laid down in section 35 (1) (iv) of the Act, in respect of any capital expenditure incurred other than the expenditure incurred on the acquisition of any land, on scientific research related to the business of the Company, to the extent of expenditure incurred.
3. The Company is presently liable to pay Income Tax on the Book profits Computed as per Section 115 JB of the Act.
4. The Company is eligible for amortization of preliminary expenses being the expenditure on public Issue of share under Section 35D (2) (c) (iv) of the Act, subject to limits specified in sub section (3).
5. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.



However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

- (i) National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
 - (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.
6. As per Section 111A of the Income Tax Act, 1961 short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).
 7. Under Section 115JAA(1A) of the Income Tax Act, 1961 credit is allowed in respect of any Minimum Alternate Tax ('MAT') paid under Section 115JB of the Income Tax Act, 1961 for any assessment year commencing on or after April 1, 2006. Tax credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the Income Tax Act, 1961 for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to 7 years succeeding the year in which the MAT credit is allowable. Finance Bill, 2009 provides for such set off for 10 assessment years.
 8. As per Section 10(34) of the Income Tax Act, 1961 any income by way of dividends referred to in Section 115 – O (i.e. dividends declared, distributed or paid on or after 1st April, 2003 by domestic companies) received on the shares of any company is exempt from tax. Moreover, the company will also be entitled to avail the credit of dividend received by it from its subsidiaries in accordance with the provisions of section 115-O(1A) on which tax on distributed profits has been paid by the subsidiary.

B. TO THE MEMBERS OF THE COMPANY :-

Special tax benefits:-

None

General tax benefits:-

1. As per the provisions of section 112 of the Act, long term capital gains that are not exempt under the proposed section 10(38) of the Act, would be subject to tax at a rate of 20 percent (plus applicable surcharge). The Finance Act, 2004 propose to levy an additional surcharge ('Education Cess') at the rate of 2 percent of such tax and surcharge. However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10% (plus applicable surcharge and Cess) as per the Finance Act, 2004.
 - a) Finance Act 2004 has proposed to exempt long term capital gains tax with effect from 1st April 2004, in case of securities listed on recognized stock exchange and held for more than 12



months. In case of short term capital gains, the tax rate has been proposed to be reduced to 15%.

- b) As per the provisions of section 54ED of the Act and subject to the conditions specified therein, capital gains not exempt under the proposed section 10(38) and arising from transfer of long term assets. Being listed securities or units shall not be chargeable to tax, to the extent such gains are invested in acquiring Equity Shares forming part of an "eligible Issue of share capital" within six months from the date of transfer of the long term assets (provided they are not transferred within one year of acquisition). Eligible Issue of share capital has been defined as an Issue of Equity Shares which satisfies the following conditions:
- The Issue is made by a public Company formed and registered in India; and
 - The shares forming part of the offer for subscription to the public.
- c) The Issue of shares by the Company being an eligible Issue of share capital, the subscribers thereto would be eligible to claim the exemption granted under section 54ED. However, there is a legal uncertainty over whether the benefit under this section can be extended to 40 shares forming part of the offer for the sale by the existing shareholders.
- d) As per the provisions of Section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a Hindu Undivided Family ("HUF"), gains arising on transfer of a long term capital asset (not being a residential house) are not chargeable to tax, if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis.
- e) For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.
- f) Under Section 115AD of the Act, income received by Foreign Institutional Investor in respect of securities shall be taxed @ 20%. Income by way of Short Term Capital Gains arising from the transfer of such securities shall be taxed @ 30%. Income by way of Long Term Capital Gains arising from the transfer of such securities shall be taxed @ 10%.
- g) Section 10(34) provides that any income by way of dividends referred to in section 115 O i.e. dividend declared, distributed or paid by a domestic Company, on or after 1st April, 2003 is exempt in the case of all categories of assesses.
- h) Under Section 10(32) of the IT Act, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the IT Act, will be exempt from tax to the extent of Rs.1,500 per minor child whose income is so included.
- i) Under section 72(1) of the Act, where for any assessment year, the net result of the computation under the head "Profits & Gains of Business or Profession" is a loss to the company, not being loss sustained in a speculation business, and such loss cannot be and is not wholly set off against income from any other head of income for the same year, the same shall be eligible to be carried forward; and such loss carried forward shall be available for set off against income from business under head "Profits & Gains of Business or Profession" only for subsequent years. As per section 72(3) of the Act, the loss carried



forward can be set off subject to a limit of 8 assessment years immediately succeeding the assessment year for which the loss was first computed.

However, as per section 80 of the Act, no loss which has not been determined in pursuance of a return filed in accordance with the provisions of section 139(3) of the Act, shall be carried forward and set off under section 72(1) of the Act. In other words, return of year in which loss was incurred must be filed within the due date, as per the provisions of the Act.

C. ADDITIONAL BENEFITS AVAILABLE TO NON-RESIDENTS INDIANS :-

Non-resident Indians have an option to be governed by the special provisions of Chapter XIIA of the Act according to which:

1. Under Section 115 G of the Act, it shall not be necessary for the Non-resident Indians to furnish their return of Income, under section 139(1) of the Act, if their source of income is only investment income or income by way of long term capital gains or both, provided income tax deductible at source under the provisions of chapter XVII B has been deducted from such income.
2. The benefit conferred on a Non-resident Indian assessee will be available even after the assessee becomes a resident if declaration in writing is filed along with the return of income under Section 139(1) of the IT Act, to the effect that the provisions of Chapter XII A shall continue to apply to him in respect of investment income derived from foreign exchange asset vide Section 115 H of the Act, until the Transfer or conversion (otherwise than by transfer) into money of such assets.
3. Under Section 115-1 of the Act, a Non-resident Indian, if he elects by so declaring in the return of his income for that assessment year, not to be governed by the above mentioned special provisions of chapter XII-A, then he will be entitle to tax benefits available to resident individuals.

D. BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS (FIIs) :-

1. Dividends exempt under Section 10(34) :-

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

2. Taxability of capital gains:-

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 STT has been paid on the same. 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.
The investment made in such bonds during any financial year cannot exceed Rs.50,00,000.

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



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

Under section 115AD (1) (ii) of the IT Act short term capital gains on transfer of securities shall be chargeable @ 30% and 15% (where such transaction of sale is entered on a recognized stock exchange in India and STT has been paid on the same).

The above rates are to be increased by applicable surcharge and education cess. Under section 115AD(1)(iii) of the IT 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 IT 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.

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

As per section 90(2) of the IT Act, provisions of the DTAA 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.

3. Tax Deduction At Source :-

Generally, tax, surcharge and education cess on the capital gains, if any, are withheld at the source by the purchaser/person paying for the equity shares in accordance with the relevant provisions of the IT Act. However, no deduction of tax shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the IT Act payable to FIIs.

E. Venture Capital Companies / Funds :-

In terms of Section 10(23FB) of the act, all Venture Capital Companies / Fund registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from Income Tax on all their Income including profit on sale of shares of the Company.

F. Mutual Funds :-

Under Section 10 (23D) of the Act, all Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under, mutual funds set up by public sector Bank or public Financial Institutions, or authorized by the Reserve Bank of India and subject to such conditions as may be notified by the Central Government will be exempt from income tax on any income.

G. Wealth Tax :-

The Shares held in a Company are not liable to Wealth Tax under the Wealth Tax Act, 1957.



H. Gift Tax :-

The Gift Tax Act 1958 ceases to apply to gifts made on or after 1st October 1998. Gifts of shares of the Company would therefore, be exempt from Gift Tax.

I. Direct Taxes :-

1. The Company, is engaged in generation of power and therefore it is eligible for deduction of 100% of the profits and gains from the business of generation of power, under Section 80-IA of the Income Tax Act, 1961, as amended ("ITA"), for a period of 10 consecutive years in a block of 15 years starting from the year in which the company starts generating power, subject to compliance with conditions specified in Section 80-IA. It may be mentioned that deduction u/s. 80-IA shall be available only in respect of an undertaking which starts generating power on or before March 31, 2010.
2. Since the company, is engaged in the business of generation of power, by virtue of clause (i) of sub-section (1) of Section 32 of the ITA, the Company has an option to claim depreciation on straight line method on actual cost of the assets instead of written down value method on written down value of block of assets, in respect of the assets acquired on or after April 1, 1997. It may be mentioned here that once the option is exercised, it will apply for all subsequent assessment years.

NOTES :-

1. All the above benefits are as per the Current Tax Law as amended by the Finance Act, 2010.
2. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint holders.
3. In respect if Non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Agreements, if any, between India and the Country in which the Non Resident has fiscal domicile.
4. In view of the individual nature of tax consequences, each investor is advised to consult his / her own tax advisor with respect to specific tax consequences of his / her participation in the scheme).



SECTION III – ABOUT US

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is derived from the Steel Wire Manufacturers Association of India (SWMAI) and other industry sources as well as government publications. The industry data mentioned herein are not from a commissioned report. None of the Company, the BRLMs and any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

STEEL INDUSTRY

Introduction

Steel is an internationally traded commodity. Steel is essential to economic growth, playing a central part in infrastructure, transport, energy delivery, housing and construction, and key consumer goods.

Steel is an alloy consisting mainly of iron and other elements such as carbon, manganese, chromium, vanadium, and tungsten. By suitably modifying the properties of steel such as hardness, ductility, tensile strength and resistance to rust, it is possible to produce steel of varying qualities and in varying forms such as billets, rods, wires, sheets, tubes and others. The steel of varying qualities and forms then finds applications for different uses. Global supply and demand together with pricing dynamics have a significant impact on Indian steel markets. Steel is a cyclical commodity, and increases in production capacities follow increase in demand. Increase in demand cause producers to increase utilization levels of existing capacities, and can lead to increase production capacity. Additional capacities become operational after a gestation period that may last from 15 to 24 months, thereby causing a lag effect between demand and supply and cyclicity in prices.

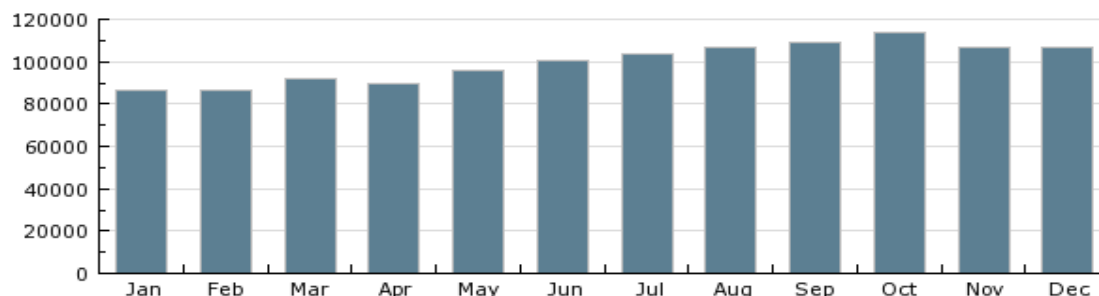
World Steel Sector

The global scenario for the metal and mineral sector has witnessed a significant upsurge over the last decade, nearly doubling production from 789 Million Tons (MnT) in 1999 to 1,327 Million Tons (MnT) in 2008, and to 1,227 Million Tons (MnT) in 2009. This growth in steel production has been primarily driven by tremendous growth for steel demand in China, India and other developing economies. According to the data provided by World Steel Association, India was the fifth largest producer of steel for the year 2008 and even in 2009 as per the provisional ranking issued by World Steel Association. Crude steel production for 2009 is as follows:

World crude steel production in 2009*		
Rank	Country	Production (million tonne)
1	China	567.8
2	Japan	87.5
3	Russia	59.9
4	US	58.1
5	India	56.6
6	South Korea	48.6
7	Germany	32.7
8	Ukraine	29.8
9	Brazil	26.5
10	Turkey	25.3
Source: World Steel Association; *=Provisional		



Steel Statistics: monthly world steel production figures for year 2009 in Thousand Metric Tons



(Source: World Steel Association: www.worldsteel.org)

Based on the expected growth rate and consumption patterns in sectors such as construction, automobile, infrastructure, capital goods, it is expected that demand for steel will continue to be led by China in the near future while India will also follow closely. A tabular presentation of production of steel and steel products including ingots, semi-finished products, hot-rolled and cold-finished products, tubes, wire, and un-worked castings and forgings is illustrated below. The table comprises the exports of 37 countries, which represents approximately 90% of total world trade in 2008.

	2004	2005	2006	2007	2008
Ingots and semi-finished material	58.9	59.5	62.5	62.4	62.6
Railway track material	2.4	2.4	2.6	3.1	3.3
Angles, shapes and sections	19.4	18.5	21.0	26.3	24.1
Concrete re-inforcing bars	15.9	17.9	18.0	21.1	26.1
Bars and rods, hot-rolled	9.9	10.2	11.8	15.1	16.8
Wire rod	20.6	19.8	23.0	22.8	21.9
Drawn wire	5.5	5.4	6.1	6.8	7.0
Other bars and rods	4.8	4.9	5.7	6.5	6.0
Hot-rolled strip	3.2	3.3	4.1	4.6	3.6
Cold-rolled strip	4.5	4.5	4.9	5.1	3.9
Hot-rolled sheets and coils	55.0	53.3	62.9	62.0	60.8
Plates	24.1	26.2	31.7	37.8	38.1
Cold-rolled sheets and coils	31.2	30.2	32.9	29.9	29.5
Electrical sheet and strip	3.7	3.7	3.8	4.1	4.2
Tinmill products	6.5	6.0	6.0	6.3	6.1
Galvanised sheet	26.8	25.6	30.4	32.1	29.8
Other coated sheet	7.4	7.3	8.6	9.7	10.9
Steel tubes and fittings	28.2	31.0	36.7	33.9	35.4
Wheels (forged and rolled) and axles	0.4	0.4	0.5	0.2	0.5
Castings	0.9	0.9	0.9	1.1	0.9
Forgings	1.1	1.0	1.1	1.3	1.2
Other	0.0	0.0	0.0	0.0	0.0
Total	330.1	332.2	375.4	392.1	392.5

(Source: World Steel Association, World steel in figures 2010: www.worldsteel.org)



Indian Steel Sector

As per official estimates, the Iron and Steel Industry contributes around 2% of India's Gross Domestic Product (GDP) and its weight in the Index of Industrial Production (IPP) is 6.20%. From a once negligible global presence, the Indian steel industry is now acknowledged for its product quality, demonstrated by trends of rising exports.

In addition to maintaining its position as the third-largest producer of crude steel in the world in 2009, India remains the world's largest producer of direct reduced iron (DRI) or sponge iron with nearly 20.8 MnT and of pig iron with 543.7 MnT in 2009. According to the Ministry of Steel, India is likely to achieve a steel production capacity of nearly 124 MnT by the year 2011-12. The steel sector is expected to generate additional employment of around 4 million by 2020 for production of around 295 MnT of crude steel. More than two hundred Memorandum of Understanding (MOU) have already been signed with various States for a planned capacity of around 276 MnT.

In 2008-09, crude steel production reached 54.52 MnT, a growth of 1.23% over the previous year, with capacity utilization at 89%. This growth was driven by both capacity expansion (from 47.99 MnT in 2004-05 to approximately 64 MnT in 2008-09) and improved capacity utilisation. Crude steel production grew at more than 9% annually from 38.72 MnT in 2003-04. Production for sale of total finished steel was at 56.39 MnT in 2008-09, a growth of 0.6% as compared to last year. As against 40.71 MnT in 2003-04, an average annual growth of 7.3% was registered.

The steel industry in India has successfully overcome the adverse effects of the global economic slowdown to register a positive growth in the January-March quarter of 2009. In fact, India and China are the only countries to have registered positive growth in steel production in the January-March quarter of 2009. The financial year 2009-10 for Indian steel sector has begun on a promising note, with production growth estimated at least in the range of 5-7%

(Source : World steel association: World steel in figures 2010)

Production, Consumption and Growth of Steel

The National Steel Policy 2005 had projected consumption to grow at 7% based on a GDP growth rate of 7-7.5% and production of 110 MnT by 2019-2020. These estimates will be largely exceeded and it is envisaged that in the next five years, demand will grow at a considerably higher annual average rate of over 10% as compared to around 7% growth achieved between 1991-92 and 2005-06. It has been assessed that, on a "most likely scenario" basis, steel production capacity in India by the year 2011-2012 will be nearly 124 MnT. If proposed expansion plans are implemented as per schedule, India may become the second largest crude steel producer by 2015-16.

The table below shows the trend in production for sale, import, export and consumption of total finished steel (alloy and non-alloy) in the country in the last six years:

Year	Total finished steel (alloy + non-alloy) ('000 tonne)			
	Production for sale	Import	Export	Consumption
2004-05	43513	2293	4705	36377
2005-06	46566	4305	4801	41433
2006-07	52529	4927	5242	46783
2007-08	56075	7029	5077	52125
2008-09	57164	5841	4437	52351
Apr-Dec 2009-10*	43849	5210	2099	40997
Source: JPC; * =Provisional				

(Source: Ministry of Steel, Annual Steel Report 2009-10)



STEEL WIRE INDUSTRY

Global Steel Wire Industry

Steel wire industry is closely linked to the infrastructural development of any country. The major consumers of steel wires and wire products are railways, electricity boards, construction sector and automobile industry. Globally, the industry is much unorganized, with big players concentrating on the wire rods segment and the smaller players involved with the manufacture of wires and wire products. Globally steel wires consumption account for about 65 mn tones i.e. 5% of the total steel production of 1.3 bn tones. North America, Europe and South East Asia each account for approximately 25% of the global demand for the steel wires.

The global steel wire market is expected to grow to approximately 54 MnT of wires by 2010, valued at US\$ 25 billion. North America, Europe and South East Asia each account for approximately 25% of the global demand for steel wires. India's steel wire industry growth is driven mainly by the infrastructure and automobile sectors.

(Source: *Steel Wire Manufacturers Association of India*)

Indian Steel Wire Industry

Established in the 1920s, India's steel wire industry has achieved a wide product range of various types of high carbon, alloy steel and special steel wires, in addition to mild steel wires, while meeting the requirements of numerous consuming sectors. This sophistication has been possible due to continuous and well-planned R&D efforts on the part of manufacturers. The result has been that the industry is in a position to manufacture steel wires and supply them to both domestic and international markets, in accordance with ASTM, DIN, JIS, BSS and ISS, among others.

Economic reforms introduced since 1991 aimed at deregulating the productive sectors of the economy and opening the Indian economy to global competition have ushered in far-reaching changes in the growth of the steel wire industry. As a result, the product range of steel wire manufacturers is widening continuously. An indicative list of the various types of steel wires and wire products produced in India is given below:

Hard Bright Wire	Heald Wire
Ball Bearing Wire	Galvanized Wire
ACSR Core Wire	Alloy Steel Wire
Lock Washer Wire	Cycle Spoke Wire
Tyre Bead Wire	Sectional Wire
Spring Steel Wire	Umbrella Rib Wire
Card & Gill Pin Wire	Wire Nail
Electrode Wire	Piano Wire
Signal Wire	Stainless Steel Wire
Rivet Wire	Cable Armouring Wire
Bolt Wire	Binding Wire
Needle Wire	Netting Wire
Barbed Wire	Pre-stressed concrete Wire & Strands
Stitching Wire	Telegraph & Telephone Wire
Upholstery Wire	Weldmesh Wire
Staple and Pin Wire	Panel Pin Wire
Roping Wire	Animal Shoe Nail Wire
Reed Wire	Screw and Nail Wire
Ring Traveller Wire	Cold Heading Quality Wire
Stay Wire	Hair Pin Wire

(Source: website of SWMAI i.e. www.swmai.org)



The industry underwent a major change over the recent years. Many non-performing & small Steel Wire Drawing Units were closed down. This in-turn increased the efficiency of the industry as can be seen in the table below:

(In million tones)

	Numbers	Capacity
Total Units	100	1.44
Closed Units	65	0.73
Working Units	35	0.71

(Source: Ministry of Steel, Annual Report 2009-10)

The production of Steel Wire Drawing Units has shown a steady increase over the past 5 years as is evident from the table below:

(in million tonne)

Category	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10* (April-December 2009)
Mild steel	0.16	0.08	0.07	0.13	0.16	0.12
Medium/ high carbon Steel	0.17	0.20	0.18	0.17	0.19	0.15
Alloy steel	0.08	0.04	0.04	0.04	0.07	0.05
Stainless steel	0.01	-	-	-	-	-
Others	0.04	0.17	0.14	0.12	0.17	0.14
Total reported	0.39	0.49	0.43	0.46	0.47	0.37
Total estimated	0.03	0.01	0.11	0.10	0.12	0.09
Grand total	0.42	0.50	0.54	0.56	0.59	0.46
<i>*Provisional</i>						

(Source: Ministry of Steel, Annual Report 2009-10)

The above mentioned steels are the main Raw Material used in the manufacture of different kinds of Wires. Each raw material has unique properties & is used for different kinds of wires

Carbon / Mild Steel: Carbon steel, also called plain carbon steel is steel where the main alloying constituent is carbon. The AISI defines carbon steel as: "Steel is considered to be carbon steel when no minimum content is specified or required for chromium, cobalt, columbium, molybdenum, nickel, titanium, tungsten, vanadium or zirconium, or any other element to be added to obtain a desired alloying effect; when the specified minimum for copper does not exceed 0.40 percent; or when the maximum content specified for any of the following elements does not exceed the percentages noted: manganese 1.65, silicon 0.60, copper 0.60."

High Carbon Steel: Carbon steels which can successfully undergo heat-treatment have carbon content in the range of 0.30–1.70% by weight. Trace impurities of various other elements can have a significant effect on the quality of the resulting steel. These steels can be tempered to great hardness and thus provide strength to the end product. Generally used for large parts, forging and automotive components, springs and high-strength wires.

Alloy Steel: Alloy steel is steel alloyed with other elements in amounts of between 1 and 50% by weight to improve its mechanical properties. Common alloying elements are molybdenum, manganese, nickel, chromium, vanadium, silicon and boron. These steels have greater strength, hardness, hot hardness, wear resistance, harden-ability, or toughness compared to carbon steel. However, they may require heat treatment to achieve such properties. Low alloy steels are usually used to achieve better hardenability, which in turn improves its other mechanical properties. They are also used to increase corrosion resistance in certain environmental conditions.

Stainless Steel: In metallurgy, stainless steel, also known as inox steel or inox, is defined as a steel alloy with a minimum of 10.5 or 11% chromium content by mass. Stainless steel differs from carbon steel by the



amount of chromium present. Carbon steel rusts when exposed to air and moisture. This iron oxide film (the rust) is active and accelerates corrosion by forming more iron oxide. Stainless steels have sufficient amounts of chromium present so that a passive film of chromium oxide forms which prevents further surface corrosion and blocks corrosion from spreading into the metal's internal structure.

(Source: www.steel.org (*American Iron and Steel Institute*))

The main product range in the industry consists of Galvanized wires, Cable Armour Wires, ACSR Wires, Earth Wires, Wire Nails, Stay Wires, Spring Steel Wires, and Barbed Wires

Galvanized Wire is designed to prevent rusting and is a very shiny silver in color. It is an extremely versatile wire, used by landscapers, craft makers, ribbon manufacturers, tag manufacturers, jewelers, contractors, etc, etc. It is perfect for beading and for use in displays and projects. It's aversion to rust makes it extremely useful around the shipyard, in the backyard, or anywhere else. With India's growing infrastructure development and the growth in power sector, **Cable Armour wires, ACSR wires and Earth Wires** have great growth potential. Modern power cables come in a variety of sizes, materials, and types, each particularly adapted to its uses. Cables consist of three major components: conductors, insulation and protective jacket. The makeup of individual cables varies according to application. The construction and material are determined by three main factors:

- Working voltage, determining the thickness of the insulation;
- Current-carrying capacity, determining the cross-sectional size;
- Environmental conditions such as temperature, water, chemical or sunlight exposure, and mechanical impact, determining the form and composition of the outer cable jacket.



Cables for direct burial or for exposed installations may also include metal armor in the form of wires spiraled around the cable, or a corrugated tape wrapped around it. The armor may be made of steel or aluminum, and although connected to earth ground is not intended to carry current during normal operation.

Power cables use stranded copper or aluminum conductors, although small power cables may use solid conductors. The cable may include uninsulated conductors used for the circuit neutral or for ground (earth) connection.

The overall assembly may be round or flat. Non-conducting filler strands may be added to the assembly to maintain its shape. Special purpose power cables for overhead or vertical use may have additional elements such as steel or Kevlar structural supports.

Some power cables for outdoor overhead use may have no overall sheath. Other cables may have a plastic or metal sheath enclosing all the conductors. The materials for the sheath will be selected for resistance to water, oil, sunlight, underground conditions, chemical vapors, impact, or high temperatures. In nuclear industry applications the cable may have special requirements for ionizing radiation resistance.

Cable materials may be specified not to produce large amounts of smoke if burned. Cables intended for underground use or direct burial in earth will have heavy plastic or metal, most often lead sheaths, or may require special direct-buried construction. When cables must run where exposed to mechanical impact damage, they may be protected with flexible steel tape or wire armor, which may also be covered by a water resistant jacket.

(Source: *Terrell Croft and Wilford Summers (ed), American Electricians' Handbook, Eleventh Edition, McGraw Hill, New York (1987) ISBN 0-07013932-6, sections 2-13 through 2-84*)



For circuits operating at or above 2,000 volts between conductors, a conductive shield may surround each insulated conductor. This equalizes electrical stress on the cable insulation. The individual conductor shields of a cable are connected to earth ground at the ends of the cable, and at locations along the length if voltage rise during faults would be dangerous.



Cables for power distribution of 10kV or higher may be insulated with oil and paper, and are run in a rigid steel pipe, semi-rigid aluminum or lead sheath. For higher voltages the oil may be kept under pressure to prevent formation of voids that would allow partial discharges within the cable insulation.

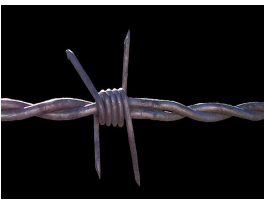
Most multiconductor cables today have a bare or insulated grounding or bonding wire which is for connection to earth ground. The grounding conductor connects equipment enclosures to ground for protection from electric shock.

Electrical power cables are often installed in raceways, including electrical conduit and cable trays, which may contain one or more conductors. A hybrid cable can include conductors for control signals or may also include optical fibers for data.



All electrical cables are somewhat flexible, allowing them to be shipped to installation sites wound on reels or drums. Flexible cords contain fine stranded conductors, not solid core conductors, and have insulation and sheaths to withstand the forces of repeated flexing and abrasion. Heavy duty flexible power cords such as those feeding a mine face cutting machine are carefully engineered — their life is measured in weeks. Very flexible power cables are used in automated machinery, robotics, and machine tools.

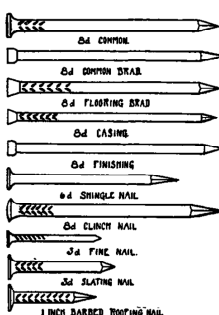
(Source: <http://www.okonite.com/engineering/shielding.html>)



Barbed wire is a type of fencing wire constructed with sharp edges or points arranged at intervals along the strand(s). It is used to construct inexpensive fences and is used atop walls surrounding secured property. It is also a major feature of the fortifications in trench warfare (as a wire obstacle).

Barbed wire continues to be used today as a means of division in under-developed countries & parts of developing countries. Barbed wire fences remain the standard fencing technology for enclosing cattle and dividing land in agricultural sectors.

Barbed wire for agricultural fencing is typically available in two varieties—"soft" or mild-steel wire and "high-tensile". Both types are galvanized for longevity. High-tensile wire is made with thinner but higher-strength steel. It copes with the expansions and contraction caused by heat and animal pressure by stretching and relaxing within wider elastic limits. Soft wire is much easier to work but is less durable and only suitable for short spans such as repairs and gates, where it is less likely to tangle.



Wire Nails are the mostly used industrial & commercial purposes. Common wire nails are ideally suited for all wood framing projects such as window and door frames, wall, joist work, etc. It can be said that almost 100% of the nails made in the world today are Wire nails. The term Wire nail, refers to the method of manufacture, i.e. nails made from wire rather than a forged nail or a nail cut from a plate.

Wire nails in contrast to cut nails are round in shape. Wire nails are made from steel or alloy steel where the steel wire is fed into a machine that grips the wire, cuts it, makes the head, and chisels the point, all in one operation. The process is totally mechanized, requiring only someone to turn the machine on and off. Wire nail machines can make thousands of nails per minute.

(Sources: www.sizes.com/tools/nails.html; Thomas D. Visser, *Nails: Clues to a Building's History*, www.uvm.edu/~histpres/203/nails.html)

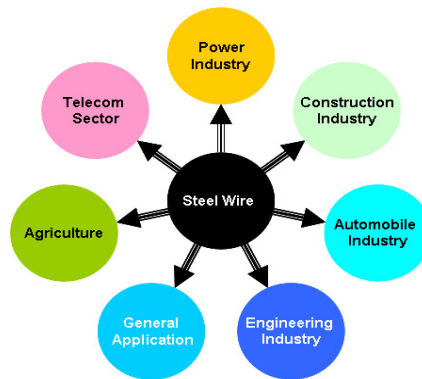


Application of Steel Wire and Wire products:

Steel wire has many applications. Steel wire in all its variants and alloy finds application in Power, Automobile, Engineering, Construction and other sectors. Steel wire and its allied products find application in the some of the industry:

1. Automobile Industry
2. Construction Industry
3. Power Industry
4. Engineering Industry
5. General Application
6. Railways etc
7. Others.

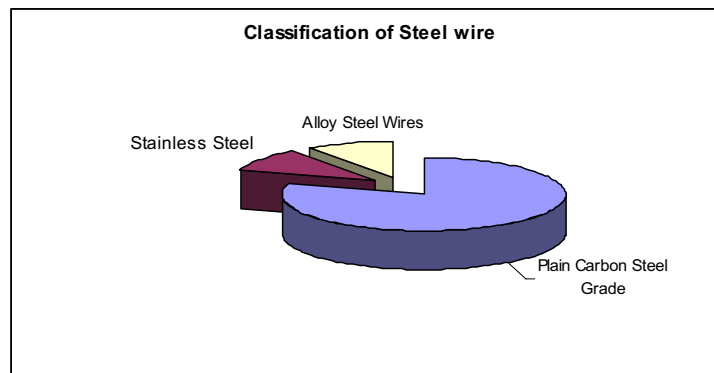
Application of Steel Wire



The steel wire grades are classified into Plain Carbon steel wire, Stainless steel wire and Alloy Steel wire grades.

Classification of the steel wire grade:

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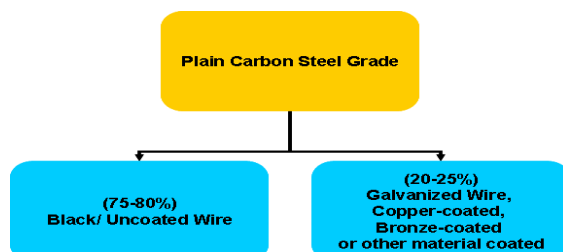


Source: Steel Wire Manufacturers Association of India (SWMAI)



Grades of Plain Carbon Steel

The Plain Carbon steel grade is further classified into Black/ Uncoated wires which form around 75 to 80% and Galvanized Wire, Copper Coated, Bronze Coated or other material coated which forms around 20 to 25%.



Source: Steel Wire Manufacturers Association of India (SWMAI)

Wire Rods and Wires Drawing

Production of hot rolled long product manufacturing units in India as reported is as under:

Category	2004-05	2005-06	2006-07	2007-08	2008-09	(in million tonne) 2009-10* (April-December 2009)
Bars/rods (incl. squares)	3.98	4.97	5.70	13.33	15.46	11.94
Wire rods	0.88	0.84	0.96	1.25	1.48	1.14
Structural	1.21	1.62	1.85	1.32	4.64	3.59
Hoops	0.03	0.03	0.05	0.08	0.73	0.56
Special section	0.17	0.22	0.26	0.35	0.17	0.14
Patra/others	0.59	1.32	1.51	0.35	0.63	0.49
Total reported	6.86	9.00	10.33	17.68	20.55	15.94
Total estimated	4.68	4.04	9.50	3.96	2.56	1.92
Grand total	11.54	13.04	19.83	21.64	23.11	17.86

*Provisional

(Source: Ministry of Steel, Annual Report 2009-10)

Steel Wire Drawing Units

Production of steel wire drawing units is as follows:

Category	2004-05	2005-06	2006-07	2007-08	2008-09	(in million tonne) 2009-10* (April-December 2009)
Mild steel	0.16	0.08	0.07	0.13	0.16	0.12
Medium/ high carbon Steel	0.17	0.20	0.18	0.17	0.19	0.15
Alloy steel	0.08	0.04	0.04	0.04	0.07	0.05
Stainless steel	0.01	-	-	-	-	-
Others	0.04	0.17	0.14	0.12	0.17	0.14
Total reported	0.39	0.49	0.43	0.46	0.47	0.37
Total estimated	0.03	0.01	0.11	0.10	0.12	0.09
Grand total	0.42	0.50	0.54	0.56	0.59	0.46

*Provisional

(Source: Ministry of Steel , Annual Report 2009-10)



Industry Outlook

With the increased demands from user industries, the wire and wire products sector in India is expected to witness a robust growth. However, the raw material prices coupled with expected economic slowdown, could consolidate the market space further, as the large and medium players with backward integration may survive. However, the branded value added wire segment is expected to improve, in terms of market share, in the coming years.

BUSINESS OVERVIEW

We are one of the leading steel wire manufacturers in western India located in Nashik. Mr. Kachardas R. Bedmutha is the founder of Bedmutha Industries Limited (formerly known as Bedmutha Wire Company Limited) having experience in this business for over three decades. Our Company started its commercial production in the year 1992, by setting up first Galvanized Wire plant at Nashik with an installed capacity of 3600 MTPA. Over the years our company has enhanced capacities from 3600 MTPA to 26050 MTPA by setting up three more Galvanizing lines at the existing location. Subsequently our company consolidated the group's activity in this sector through a Scheme of Arrangement in the year 2008 and brought all the wire and wire product businesses under Bedmutha Industries Limited. Today we operate four manufacturing units in and around Nashik and they are strategically located in proximity to the source of raw materials and markets ensuring cost savings and logistic benefits. We have a total capacity of 60000 MTPA.

Our Company has wide range of wire and wire products - Galvanized wires, Cable Armour Wires, ACSR Wires, Wire Nails, Earth Wires, Stay Wires, Spring Steel Wires, Barbed Wires, etc. Our products are used in various areas such as roads, bridges, flyovers, power, automobile, engineering, agriculture, railways and defence. Our products are approved by Bureau of Indian Standards, Power Grid Corporation and State Electricity Boards. Two of our plants (Plant 1 manufacturing galvanized wires and Plant 2 manufacturing Binding Wire, PC Wire and Spring Steel Wire) are certified under ISO 9001 from Bureau Veritas Certification (India) Private Limited.

Our main manufacturing facility and marketing set up is established at its registered office at Sinnar Nashik. We are also utilizing offices of few of our group companies for marketing at various locations all over India which includes Mumbai, Nashik, Pune, Nagpur, Ahmedabad, Baroda, Bangalore, Lucknow, Haridwar, Gwalior, New Delhi, Indore, Angul (Orissa) to sell our products. Our Company offers a range of steel wire products to domestic manufacturers and dealers. With the help of marketing team, we keep ourselves updated about market demand & consumer requirements.

We have promoted Kamalasha Infrastructure & Engineering Private Limited (KIEPL) which is our subsidiary, for implementation of turnkey contracts for infrastructure namely in power, roads, railways etc. KIEPL has been awarded a sub-contract of Rs 6000.00 lacs in Dharangaon Division of Maharashtra State Electricity Distribution Company Limited (MSEDCL). This job includes preparation of new sub-stations, augmentation in old sub-stations, laying of 33KV and 11KV lines approximately 600 kms, installing around 500 Distribution Transformers (DTC) etc. This subsidiary offers a direct synergy in terms of consuming GI Wire, Stay Wire from our wire unit and also offers an indirect synergy by consuming PSC Poles, cables, conductors which consumes wire produced by our Company.

We have also invested 49% in Ashoka Pre-con Private Limited (APPL) in the year 2008 along with Ashoka Buildcon Limited, to manufacture pre stress concrete products such as cement poles, RCC pipes, Cement Piles, railway sleepers etc. APPL has commenced commercial production and has begun supplying electrical cement poles for the infra projects launched by MSEDCL. This investment offers a direct synergy in terms of consuming GI Wire, MS Wire and PC Wire from our wire unit.

We are also pursuing initiatives for setting up galvanizing plant with latest technology with capacity of 48000 TPA and manufacturing of Aluminum rods and conductors with capacity of about 42000 TPA. We have been granted status of "Mega Project" under the package scheme of incentives by Government of Maharashtra.



Our Competitive Strengths

Operating track record in the steel wire and wire products business

We have an operating track record of over 19 years in the steel wire business. Our Chairman, Mr. Kachardas R. Bedmutha, technically qualified engineer is actively involved in the business and management of our Company and also has over three decades of experience in the wire industry. Our extensive experience in the wire industry enables us to gauge and understand the changing trends and growth prospects in the industry.

Experienced Management Team

We believe that employing and retaining individuals with experienced backgrounds has enabled us to capitalize on their collective expertise in understanding this business and ensuring our growth. We are led by a management team with sound experience and expertise in the wire industry. Our promoters are qualified engineers and are actively involved in the day to day management of our business operations. The operations and corporate decisions are looked after by Mr. Vijay K. Vedmutha, Managing Director. Mr. Vijay K. Vedmutha is a qualified Engineer in Industrial Production with a Masters in Business Administration in Finance and has over 20 years of experience in the wire and related industry. Mr. Ajay Vedmutha, Jt. Managing Director of our Company is also a qualified Mechanical Engineer with 18 years of experience in the industry. Besides the promoters our company is ably assisted by senior professionals in areas of Production, Marketing, Administration and Finance.

For further details on the experience of our management, please refer to the chapter "Our Management" on page no. 115 of this Red Herring Prospectus.

Wide range of quality products in the wire industry

Our company manufactures wide range of products in the wire industry from MS wires to Grade 3 Spring wires both coated and uncoated. Our range of products includes Galvanized Steel & M.S. Wire, Cable Armour, Aluminum Conductor Steel Reinforced Wire, Stay Wires, Annealed/Binding Wires, High Carbon Rope Wires etc. Our Company has recently also started focusing on the wire requirements of the infrastructure industry and is developing capacities and products to meet the growing demand in this sector. In recognition of our quality standards, our products have been certified by the Bureau of Indian Standards and our two facilities are certified under ISO 9001 from Bureau Veritas Certification (India) Private Limited. Our products are registered and approved with various public sector undertakings such as Power Grid Corporation, MSEDCL, GEB, MPSEB.

Participation in infrastructure projects

Our Company has taken a conscious decision to develop and manufacture products required by the infrastructure sector. To this end our company has promoted Kamalasha Infrastructure & Engineering Private Limited (KIEPL) which is our subsidiary, for implementation of turnkey projects in power, roads, railways etc. KIEPL has already been awarded a sub-contract of Rs 60 crores in Dharangaon Division of Maharashtra State Electricity Distribution Company Limited (MSEDCL).

We have also invested 49% in Ashoka Pre-con Private Limited (APPL) in the year 2008 along with Ashoka Buildcon Limited, to manufacture pre stress concrete products such as cement poles, RCC pipes, Cement Piles, railway sleepers etc. APPL has commenced commercial production and has begun supplying electrical cement poles for the infra projects launched by MSEDCL.

Both the above investments will enable our company to participate in large infrastructure projects and contracts/tenders. It also gives our wire manufacturing business a continuous flow of orders and keeps us abreast of the developments in the infrastructure sector.



Established Marketing and Selling Arrangements

Our Company has a well established dealer network and selling agents to service the agriculture sector requirement spread across the grape and vegetable growing areas namely Nashik, Sangli, Solapur, Bijapur, Pune, Bangalore and Hyderabad. Our Company sells directly to Original Equipment Manufacturers (OEMs) for its other range of products such as cable wires, ACSR core wire, cable armoured wires, spring steel wires, PC wires etc. We are also utilizing offices of few of our group companies for marketing at various locations all over India which includes Mumbai, Nashik, Pune, Nagpur, Ahmedabad, Baroda, Bangalore, Lucknow, Haridwar, Gwalior, New Delhi, Indore, Angul (Orissa). Some of our valued customers are Sterlite Industries Limited, Apar Industries Limited, Finolex Cables, RPG Cables, Universal Cables, Ravin Cables, Suprajit Industries, Godrej Boyce, GTL Infrastructure, Ashoka Buildcon Limited, MSEDCL, GEB, MPSEB.

Our Company is an active participant in tenders floated by Central and State Government Undertakings and Corporate customers for supply of wire and wire products. Our Company has three warehouses located at Satna (Madhya Pradesh), Silvassa (Dadra & Nagarhaveli) and Bengaluru (Karnataka). These warehouses provide the support to the nationwide distribution.

Locational Advantages

Our Company's plants are located in the Industrial Estate at Sinnar, Nashik which is well connected by road and rail and is in close proximity to major Indian ports at Mumbai and Nhava Sheva. This facilitates efficient movement of raw materials and finished products. Our location also helps us to service wide array of customers

Tax Incentives

Our company enjoys an advantage due to the Sales Tax Benefits under the Maharashtra State Government Package Scheme of Incentives. The Sales Tax Benefits are applicable to our company up to the year 2015. With the expansion we will have the extended benefit on sales tax up to the year 2017.

The expansion being undertaken will fall under the Maharashtra Government's package scheme of incentives 2007 wherein we will be enjoying Sales Tax incentive maximum to the extent of capital expenditure incurred or for a maximum period of 7 years from the date of commercial production, whichever is earlier by way of refund of MVAT.

Our Strategy

Our Company's growth strategies over the short and medium term are based on the following factors.

Expanding the Product Portfolio

With the development and growth in the infrastructure which includes roads, power, bridges, railways etc, our company is addressing the requirements of this sector by setting up a new plant at Sinnar for manufacturing of new product Low Relaxation Pre-stress Concrete (LRPC) Wire and Spring Steel Wire. LRPC finds wide usage in the infrastructure industry namely roads, power, bridges, flyover and railways. Spring Steel Wire which we propose to manufacture finds wide application in the Auto industry. As a part of our company's growth strategy we endeavor to constantly develop new products based on the requirements of the industry. Our Company proposes to use the latest technology and proposes to import the machinery for the same from leading suppliers in Europe.

Diversifying and increasing penetration in markets

About 98% of our Company's products are sold in domestic market and 2% is indirect export. The domestic market also offers opportunities in term of sub-geographic penetration and product/market diversification. Our Company will seek to grow its marketing reach domestically to explore hither to untapped markets and segments as part of its strategy to mitigate market risk and widen growth prospects. Our Company will



continue to explore opportunities in various countries where it can supply value added products to enhance its geographical reach.

Expansion in manufacturing capacities

It has been our Company's endeavor to continuously increase our capacities. Our Galvanizing capacities increased from 3600 MTPA to 25,300 MTPA in 2007. Our Wire Drawing Capacities increased from 16,800 MTPA to 18000 MTPA in 2005 and then 42,100 MTPA in 2008. Wire Nails Capacity of 1800 MTPA and stranding Capacity of 2400 MTPA and PC Wire with a capacity of 10,800 MTPA. We intend to keep on adding capacities to meet the increasing demand of our products. The proposed project to manufacture LRPC with a capacity of 36000 MTPA and Spring Steel Wire capacity of 18000 MTPA is in tune with our strategy and policy of creating economical feasible capacities. Further we are also pursuing initiatives for setting up galvanizing plant with latest technology with capacity of 48000 TPA and manufacturing of Aluminum rods and conductors with capacity of about 42000 TPA.

Improving Operating efficiency

In order to increase our efficiency levels, we are continuously adopting the new technologies in areas like energy saving, reduction in manpower. Production efficiency by adopting technological development like installing dead block coilers, spoolers to retrieve the finished goods, by putting mechanical pay off, due to which the down time of machines are brought down thus increasing the efficiency from 60% to 80 % and in some case up to 90%. As we expand our capacities our fixed cost will get further rationalized and it will give us opportunity to negotiate better raw material prices. From the environmental point of view we have reduced the usage of acids by installing mechanical descenders and fumeless pickling bath in our process lines thereby improving the working atmosphere for the man power and the material. We have installed new energy efficient motors and AC drives. We have also installed waste heat recovery units at each furnace Chimneys resulting into reduction of fuel consumption.

Human Resources Development

We place particular emphasis on attracting and retaining the best talents in the industry. We have implemented various human resource programmes at every level in the organization, which has helped in developing and retaining our talent pool. We believe it is imperative that we have a well trained and experienced pool of resources in order to manage the substantial business and capacity growth that is expected.

Our Products

Existing Products

We produce wide range of wire and wire products catering to various segments in the industry. Brief details of the products are as follows:

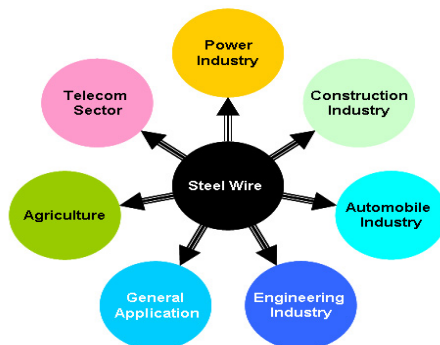
Sr. No.	Products	Size	Specifications	Grade	Application
1.	Galvanized Steel (90 Kg) & M.S. Wire	1.28-5.00 mm	IS:280	Mild	Telephones, Agriculture, Wire Netting, welding rods, fasteners etc
2.	Cable Armour				
3.	Round Wire	1.25-4.00 mm	IS:3975	Low Carbon	Power cables
4.	Flat Wire	4 X 0.08 mm			
5.	Aluminum Conductor Steel Reinforced Wire (ACSR) Single and Stranded	1.57-4.72 mm	IS : 398 Part II, IV	High Carbon	Power conductors
6.	Stay Wires	7/2.50-7/4.00 mm	IS :2141	Mild Steel	Electricity Board for Power Lines



Sr. No.	Products	Size	Specifications	Grade	Application
7.	Earth Wire	7/2.50-7/4.00 mm	IS: 12776	High Carbon	Electricity Board H.T. Transmission Lines
8.	Wire Nails	6-19 SWG length as per customers requirement	-	Mild Steel	Hardware & Engineering Ind. For Packing
9.	Spring Steel Wires Messenger Wires	0.30-16.00	IS:4454	High Carbon	Springs for Engineering & Auto Industries for optical fiber
10.	Annealed/Binding Wires	10 to 18 SWG	IS: 280	Mild Steel	Hardware, Sugar & Engineering Ind.
11.	Chainlink Fencing	8 to 16 SWG	IS:2721	Mild Steel	Defense, Boarder fencing, farm & Industrial fencing
12.	High Carbon Rope Wires	0.30-2.00 mm	IS:1835	High Carbon	Steel wire Ropes for Engineering, Shipping, Mines and Defense
13.	H.T/P.C. Wires	3.00-5.00	IS:1785 IS:6003	High Carbon	P.C. Poles and Hume Pipes
14.	Barbed Wires	12X12 SWG 12X14 SWG 14X14 SWG	IS: 278	Mild Steel	Defense, Boarder fencing, farm & Industrial fencing
15.	P.C. Strand	3X3 mm 7X4 mm	IS:6006	High Carbon	Construction, railways, dams, bridges, Slippers
16.	Textile Wires Healed Wires Reed Wires Ring Traveller Wires	As per customer's requirement	-	As per customer's requirement	Textile Industries

Applications of Steel Wire and Wire products

Steel wire in all its variants and alloy finds application in Power, Automobile, Engineering, Construction and other sectors as shown below:





Proposed Products

We are proposing to set-up 'LRPC wire' and 'Spring Steel Wire' manufacturing plant with installed capacity of 36,000 MTPA and 18000 MTPA respectively with following specifications:

Sr. No.	Products	Size	Specifications	Grade	Application
1.	L.R.P.C Wires	1/4", 5/16", 3/8", 7/16", 1/2", 6/10", 7/10.	IS: 6006	High Carbon	Infrastructures, bridges, roads, Dams
2.	Spring Steel Wires	4 mm-12mm	IS:4454	High Carbon	Automobile Industries,

1. LRPC Wires

LRPC wire uses the stress relaxation property of steel. By treating the steel through a thermo-mechanical process known as stabilizing, the propensity of the steel to "relax" under a stressed condition is controlled to a great extent and LRPC wires are thus made.



Properties of LRPC Wires

- High strength.
- Consistency of physical properties.
- Consistent coil characteristics with uniform winding.
- Close tolerances on unit mass to length ratio.
- Higher breaking loads.
- Higher proof stress loads.
- Higher fatigue and corrosion resistance.
- Better performance at elevated temperature.
- Lower relaxation losses.
- Joint-less long length strength.

Application

A steel member that is pre-stressed LRPC wire/strand, and embedded in concrete, loses the initially applied stress exponentially with the passage of time. Hence they can be used in a lot of applications including pre-stressed concrete girders for road, river and railway bridges and flyovers, pre-stressed concrete domes, slabs, silos, hangars, aqua ducts, viaducts and railway sleepers.

Markets

LRPC has wide application in the infrastructure sector. It is widely used as a new steel material taking place of traditional construction material in the construction sector. In India, today, LRPC wire is one of the fastest



growing segments in the entire steel wire segment because of its wide application in the infrastructure projects like roads, bridges, flyovers, bridge girders, railways, nuclear domes, wide span slabs, etc

2. SPRING STEEL Wire

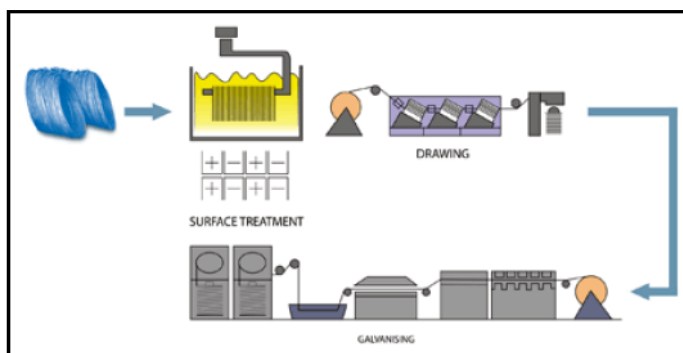
'Spring Steel Wire' is applicable for manufacturing shock absorbers in automobile industry. Spring Steel wire is a generic name due to its use in manufacturing of spring, technically it is a non alloy steel wire with higher carbon percentage which has critical application other than manufacturing of spring like wire rope, engine spring, shock absorb spring, clutch wire etc.

Manufacturing Facilities

We have our manufacturing facilities located in the industrial estate (STICE) at Sinnar, Nashik. The details of plants are as under:

Plant	Location	Product
Plant 1	Plot No. A-31-35/57, STICE, Musalgaon, Sinnar, Nashik-422103	Galvanized Steel Wire, Cable Armour Wire, Aluminum Conductor Steel Reinforced Wire (ACSR)
Plant 2	Plot No. A-70/71/72, STICE, Musalgaon, Sinnar, Nashik-422103	Binding Wire, P.C. Wire, Spring Steel
Plant 3	Plot No. B-113, STICE, Musalgaon, Sinnar, Nashik-422103	Chain Link Fencing, Barbed Wire, Wire Nails
Plant 4	Plot No. B-140, STICE, Musalgaon, Sinnar, Nashik-422103	Stay Wire, Earth Wire

Manufacturing Process



Raw material Storage

Raw material is physically checked and verified with purchase order before acceptance of the material for weighing on the electronic weigh bridge. After checking the material utility, type and quantity it is sent for the pickling process.

Pickling Process

The solution used in pickling is a mixture of sulphuric acid and water in 20:80 proportion i.e. 20% acid and 80% water at a temperature of 60 to 70 degree Celsius. The wire rods are first dipped in to the acid solution for 40 to 50 minutes with the help of an overhead moving crane. The rods are kept in acids tank for 30 minutes for de-scaling of impurities. After ensuring completion of de-scaling process through visual inspection, the coil is removed from the acid tank for rinsing.



Rinsing/Spraying

Wire coils are rinsed with water under pressure so that all traces of acid are removed.

Lime Process

Lime Tank is a tank in which lime solution is stored with the help of the compressor stirring neutralization of acid from above process is carried out. The coil is then put in a lime tank for 5-10 minutes for coating of lime on the wire rod. After this, it is passed on for drying process. Further as per requirement of end product, process of Boraxing and phosphating is also carried out.

Drying Process

The lime coated wire is then sent for drying by making use of dryer, heater etc. After the coil dries, it is sent to wire drawing section.

Wire Drawing

In wire drawing, the size of the wire is reduced to maximum by 20% to 28%. According to the specification required, a set of dies are prepared and offered to the operator for fixing in the die box. Adequate water cooling system along with a dry lubricant is periodically checked by the operator and the in-process quality control inspector. The wire is then passed through wire drawing machines running at a specified speed. Wire rod passes through various dies from big to small sizes as per specifications. These dies are the basic element of the production process and hence the Company has developed in house die making facilities and have trained the die maker to meet urgent requirements of the process. If wire breaks are identified during the wire drawing process, the machine is stopped and the broken point is welded by using arc welding on the spot. Improvement in the wire drawing process has taken place with the help of new wire coiling machines in which the coiling takes place on-line automatically and the loaded coil can be disconnected from the wire drawing machine without stopping the wire drawing process. These dead block coilers save a downtime of approximately 45 minutes per coil load.

Galvanizing

After the wire drawing process is over, it is taken for galvanizing. Pay-off and take-off systems are used to load and unload the wire for galvanizing. In order to maintain the ultimate tensile strength of the wire, it is passed through a lead tank which is maintained at a temperature of 670 to 680 Degree Celsius. This temperature is reached by burning furnace oil. It is then cooled by using water tanks. After cooling the wire is cleaned by passing it through an HCL tank which is maintained between 32 to 38 Degree Celsius. A 3:1 chemical layer of Ammonium Chloride and Zinc Chloride is coated on the wire by passing it through zinc tank maintained at 440 to 450 Degree Celsius.

Quality Control Department

The wire is then taken to Quality Test department where various tests are performed. Tests are performed to measure the thickness of the coating, tensile strength and torsion strength. Thickness of the coating is measured by using titration test or the weight test. The weight method is more common out of the two. Physical tests like tensile and torsion test are also performed. The products which are manufactured conform to the IS and other such standards. Quality reports are prepared in the quality department in batches and records are maintained for all orders that are executed.

**Packing**

The wires are then packed in polythene plastic wrappers of different colours which indicate the grade or type of coating. IS grade wire is packed in blue wrapper; commercial grade is packed in yellow wrapper and G.I agri wire in pink wrapper.

Utilities**Raw Materials****Existing**

The key raw material requirements used in the manufacture of wire products are steel rods, zinc and lead. These are the primary raw materials used in the manufacturing of wire products. Our Company is presently sourcing these products from reputed suppliers for its existing requirement from RINL Vizag, Tata Steel Jamshedpur, SAIL Bhilai, Hindustan Zinc Limited and also imports from China, Indonesia, Australia and Ukraine.

Proposed

The key raw materials used in the manufacturing of LRPC wire and Spring Steel wire are Steel Rods. We will source this raw material from existing reputed suppliers. The company plans to tap existing sources for the proposed raw material requirement.

Furnace Oil

For the requirement of furnace oil, the company has contracts with BPCL and HCPL. Our company has also planned Biomass which can be used in future if required as alternative source of fuel. Our company has already conducted the trial use of Bio Mass.

Power**Existing**

Our Company sources power from Maharashtra State Electricity Board which supplies to each plant. We also have a standby generator of 640KVA (Plant 1 and Plant 2) for power back-up.

Location	Contract Demand (KVA)
Plant 1	800
Plant 2	1000
Plant 3	56
Plant 4	54

Proposed

The company will apply for a power connection from MSEB/MIDC for the total anticipated load of the proposed plant.



Water

Existing

The required water is available from MIDC water supply and bore well, which is adequate to meet the requirement.

(in Liters)

	Plant 1	Plant 2	Plant 3	Plant 4
MIDC	98,000	2,30,000	54,000	1,28,000
Bore Well	10,00,000	4,00,000	-	-

Proposed

The Company has existing arrangement which is sufficient to meet the water requirements for production process and for sanitation purposes.

Environmental factors

The Company has manufacturing process of Cold drawing, galvanizing, and heat treatment which involves effluent like solid, liquid and air pollution. All treatment process is in place to keep the contents of effluent within the norms prescribed by MPCB and valid consent letter are in possession. We are complying with the Pollution Control Guidelines for all the plants.

Capacity and Capacity Utilization

The table below sets out our installed capacity as of March 31, 2010 and future projected capacities after our ongoing capacity expansions are completed:

Existing Installed Capacity and Capacity utilization

Products	March 31, 2008	March 31, 2009	March 31, 2010
Galvanized Wires			
Annual Installed Capacity (MTPA)	25,300	25,300	**26050
Utilized Capacity (MTPA)	16,508.94	20,509.19	25549
% of Installed capacity utilized	65%	81%	98%
Wire Drawing			
Annual Installed Capacity (MTPA)	42,100	60,000	60,000
Utilized Capacity (MTPA)	19,792.15	26,797.01	*33872.42
% of Installed capacity utilized	47%	45%	56%

‘**’ the production figures includes the captive consumption and job work.

‘***’ GP 5 added to Galvanised Section in March 2010, with production capacity of 750 MT per month

Proposed installed Capacity

Sr.No.	Products	Proposed Capacity
1.	L.R.P.C Wires	36000 MTPA
2.	Spring Steel Wires	18000 MTPA

Sales and Marketing

Sales and Marketing Offices

Our Company has a well established dealer network and selling agents to service the agriculture sector requirement spread across the grape and vegetable growing areas namely Nashik, Sangli, Solapur, Bijapur, Pune, Bangalore and Hyderabad. Our Company sells directly to Original Equipment Manufacturers (OEMs) for its other range of products such as cable wires, ACSR core wire, cable armoured wires, spring steel



wires, PC wires etc. We are also utilizing offices of few of our group companies for marketing thorough various locations all over India which includes Mumbai, Nashik, Pune, Nagpur, Ahmedabad, Baroda, Bangalore, Lucknow, Haridwar, Gwalior, New Delhi, Indore, Angul (Orissa). Some of our valued customers are Sterlite Industries Limited, Apar Industries Limited, Finolex Cables, RPG Cables, Universal Cables, Ravin Cables, Suprajit Industries, Godrej Boyce, GTL Infrastructure, Ashoka Buildcon Limited, MSEDCL, GEB, MPSEB.

Our Company is an active participant in tenders floated by Central and State Government Undertakings and Corporate customers for supply of wire and wire products. We have supplied products to various State Electricity Boards / Distribution Corporations, such as Maharashtra State Electricity Board, Gujarat State Electricity Board, Rajasthan State Electricity Board, Punjab State Electricity Board & Jaipur Vidyut Vitran Nigam Limited. Till date we have executed/ participated in 118 contracts. Some of the major past government contracts where we had participated and were awarded/ executed the same are as follows.

Maharashtra State Electricity Board

Sr No	Order reference No. & Date	Items & Qty	Value (Rs. In Lacs)
1	SP/150/T-0901/0198/10205 DT.19.8.98	GI WIRE 5.00MM = 85MT 4.00MM = 1300MT 3.15MM = 1400MT	Rs. 667.22
2	SP/151/T-0901/0198/10206 DT.19.8.98	GI WIRE 5.00MM = 85MT 4.00MM = 1000MT 3.15MM = 1000MT	Rs. 499.46
3	SP/361/T-0906/0699/12395 DT.01.12.2000	G I STAY WIRE 7/4.00MM = 300MT G I WIRE 4.00MM = 1500MT	Rs. 428.23
4	SP/548/T-0905/03011348/ DT.02.02.02	GI STAY WIRE 7/3.15MM = 150MT G I WIRE 3.15MM = 200MT 5.00MM = 40MT	Rs.94.39
5	T-0922/0808/005474 DT.1.8.2009	GI STAY WIRE 7/4.00MM = 36MT 7/10Swg = 33MT G I WIRE 10 Swg = 168MT 8 Swg = 234MT 6 Swg = 10MT	Rs.273.47
6	SP/714/T-0805/0901/3844 DT.28.3.02	G S EARTH WIRE 7/3.15MM	Rs.43.51
7	SP/L-360/T-0904/00693/8254 DT.04.12.93	G.I. WIRE 5.00MM= 27MT 4.00MM = 450MT 3.15MM = 220MT	Rs.136.32



Sr No	Order reference No. & Date	Items & Qty	Value (Rs. In Lacs)
8	SP/L-432/T-0903/00596/15260 DT.18.11.95	G.I. WIRE 5.00MM= 20MT 4.00MM = 310MT 3.15MM = 160MT	Rs.91.80
9	SP/L-43/T-0906/00795/5918 DT.22.04.96	G.I. STAY WIRE 7/4.00MM = 796MT 7/3.15MM = 896MT	Rs.368.96
10	SP/L-715/T-0906/1191/3307 DT.03.03.93	G.I. STAY WIRE 7/4.00MM = 796MT 7/3.15MM = 896MT	Rs.101.49

Gujarat State Electricity Board

Sr No	Order reference No. & Date	Items & Qty	Value (Rs. In Lacs)
11	SP/5143/V/GIP&SW/BWCL/407 DT.15.11.2000	G I STAY WIRE 7/2.50MM = 805MT	Rs. 138.82
12	SP/5146/V/GIP &SW/BWCL/AO-I/377 DT.29.01.02	G I WIRE 4.00MM = 270MT	
13	CE/PC/ADB/1804/GSS EARTH WIRE LOT- IV/1068 DT.30.07.02	G S EARTH WIRE 7/3.15MM = 502KMS 7/3.66MM = 143KMS	Rs.80.26
14	CE/PC/ADB/1826IND/DIST-EQ-12-1788 GI PLAIN WIRE DT.12.11.02	G I PLAIN WIRE 4.00 = 670MT	Rs 12.69.
15	SP/5168/V/GIP &SW/BWCL/1237 DT.20.05.2003	G I WIRE 4.00MM = 619MT 3.15mm = 304MT	Rs.229.03

Rajasthan State Electricity Board

Sr No	Order reference No. & Date	Items & Qty	Value (Rs. In Lacs)
16	RVPN/RE/TLPC/TLM/AEN-II/T 3452/BWCL/D117 DT.27.3.2001	G S S EARTH WIRE 200 KMS	

Jaipur Vidyut Vitran Nigam Limited

Sr No	Order reference No. & Date	Items & Qty	Value (Rs. In Lacs)
17	JPD/SE(MM)SPO-II/TR-063/BWCL/D.21 DT.25.6.01 & 25.01.05	G S WIRE 8 SWG=2043MT 6 SWG =351MT	Rs. 45.31 * (USD 969027)
18	JPD/SE(MM)SPO-II/TR-064/BWCL/D.26 DT.10.07.01 & 25.01.05	G S STAY WIRE 7/10 SWG=916MT 7/8 SWG = 1722MT	Rs. 55.01 * (USD 1176526)

**Punjab State Electricity Board**

Sr No	Order reference No. & Date	Items & Qty	Value (Rs. In Lacs)
19	Hh2285/qq-2095/po(poles) dt.11.1.02	G I stay wire 7/2.50mm = 160mt	Rs.34.32

* conversion rate taken as on 27/07/2010 (Source: www.rbi.org.in)

Institutional Business Development Cell

Our Company has a separate Business Development Cell headed by Mr. C.B. Gupta.

- All pre-qualification applications for tenders are centrally prepared by the Business Development Cell headed by the Dy. General Manager / Contracts, supported by subordinates and the department functions directly under the guidance of the Functional Directors, considering the importance and sensitive nature of the department.
- The Business Development Cell peruses tenders from various states in the country meticulously to ensure that no tender notification/advertisement miss from its attention.
- Depending upon the pre-qualifying criteria specified in the Request for Qualification ("RFQ"), decision for forming a JV with a suitable partner is taken by the Managing Directors with the support of the divisional heads.

Our Company is approved vendor of Maharashtra Electricity Board, Gujarat Electricity Board, Rajasthan Electricity Board and Power Grid Corporation.

Approach to Marketing and proposed marketing set up

Our Company proposes to strengthen the marketing set up and invest in brand building initiatives & distribution network. Our management has designed various marketing strategies to be implemented.

The strategy for strengthening the marketing set up is:

- To create market awareness for our company's products in the domestic and international markets
- To advertise and promote sales through sponsorships, direct marketing, exhibitions and communicate to the construction, infrastructure and automobile industry.
- To register with Government Institutions and be an approved vendor of large corporates.

Material Subsidiaries and other Ventures and their business

Our Company through its subsidiary and Joint Venture is engaged in the business of infrastructure project in electrical field and Pre stress concrete products.

Subsidiary**Kamalasha Infrastructure & Engineering Private Limited**

We have promoted Kamalasha Infrastructure & Engineering Private Limited (KIEPL) which is our subsidiary, for implementation of turnkey contracts for infrastructure namely in power, roads, railways etc. KIEPL has been awarded a sub-contract of Rs 6000.00 lacs in Dharangaon Division of Maharashtra State Electricity Distribution Company Limited (MSEDCL). This job includes preparation of new sub-stations, augmentation in old sub-stations, laying of 33KV and 11KV lines approximately 600 kms, installing around 500 Distribution Transformers (DTC) etc. This subsidiary offers a direct synergy in terms of consuming GI Wire, Stay Wire from our wire unit and also offers an indirect synergy by consuming PSC Poles, cables, conductors which consumes wire produced by our company.



Our Top Ten Customers based on the net sales for the Financial Year 2009-10 are:

Sr.No.	Name of the Customers	% to Total Sales
1.	Apar Industries Ltd.	14.53
2.	Jenil Steel Pvt. Ltd.	7.09
3.	RPG Cables Ltd.	5.63
4.	Smita Conductors Limited	4.42
5.	Universal Cables Ltd	3.81
6.	Ravin Cables Ltd.	3.64
7.	Cable Corportaion of India Ltd.	3.30
8.	Torrent Cables Ltd	3.21
9.	Bharat Wire Ropes Ltd.	2.82
10.	Godrej & Boyce Mfg. Co. Ltd.	2.76
	Total	51.21

Competition

We face competition from various players, some of which are mentioned below:

- Tata Steel Limited
- Ramsarup industries Limited
- Indian Steel & Wire Products Limited
- Usha Martin Limited
- Rajratan Global Wire Limited

We plan to expand our facilities as well as implement a new marketing strategy to meet the challenges in current business scenario.

The overall goals for marketing plan are to:

- Gain market awareness for the new product developments in the local markets;
- Prepare viable advertisements, sales promotions, sponsorships, database programs and other marketing communication tools;
- Produce products with standard specifications for easy marketability

Export Possibilities and Export Obligations

There are export possibilities in the future. As on date there are no export obligations of the company.

**Human Resources**

As on date, our Company has a total of 220 permanent employees. In addition to salary and allowances, we provide benefits to our employees, such as HRA, medical reimbursement, employee provident fund, Gratuity Fund etc depending upon the positions of the employee.

Proposed

There is adequate manpower available in Sinnar and around Nashik area. The requirement of manpower for proposed plant is 65.

Intellectual Property

The company does not have any Intellectual Property Rights at present.

Property**Freehold Land :**

The details of freehold land held by us are as follows:

Sr. No	Location of the Land	Area (in Acres)
1.	Sinnar Survey No. 156 and No. 153/3	8.4
2.	Musalgaon, Survey No. 931/1	2

The details of land for the purposes of the new project are as under:

Sr. No.	Particulars of the Property	Area (in Acres)	Activity
1.	Gut No. 270(274) 8 /1 and 2, Sinnar, Nashik	12.00	Manufacturing
2.	Survey No. 931/1, Sinnar, Nashik	3.32	Manufacturing

Our company has entered into an Agreement dated March 16, 2010 to acquire land from Promoters - Mr. K.R. Bedmutha and Mr. Ajay K. Vedmutha, joint owners of Gut no. 270 (274) 8 /1 and 2 Sinnar, Nashik admeasuring 12 acres of land amounting to Rs. 600.00 lacs out of which an amount of Rs. 352.80 lacs has been paid as advance.

We have already acquired land admeasuring 3.32 acres at Gut no. 931/1, Musal Gaon, Sinnar, Nashik vide two sale deed agreements dated November 14, 2008 and October 09, 2009 from Anna Saheb Suryabhan Gadakh and Amrutlal Agrawal. The total consideration paid for the said land is Rs. 56.60 lacs.

Leasehold Properties:

The Company had entered into an Agreement to Lease dated 25th February 2008 with one Mr. G Santhikumar, residing at Plot No. 32, Teja Nagar, Mulgund Road, Gadag, Karnataka State for taking on lease of land of an extent of 0.23 acres for a period of 30 years with effect from 25.2.2008 situated in Survey No. 155/3 in Belahadi Village, Karnataka State for the purpose of installation of 0.225 MW capacity wind farm for electrical power generation.



Other Leasehold Properties

Sr. No.	Place	Lessor	Period of Lease	Commencing from	Remarks
Factory Premises					
1.	Survey No. 914 to 932 & 936 - Plot no. A-31 and 57, Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate (STICE), Sinnar, Nashik	98 Years	February 8, 1988	See note 1 & 6
2.	Survey No. 914 to 932 & 936 - Plot no. A-32 and 35, Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate, Sinnar, Nashik	98 Years	October 26, 1990	See note 1 & 6
3.	Survey No. 914 to 932 & 936 - Plot no. A-33, Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate, Sinnar, Nashik	98 Years	July 7, 2000	See note 2 & 6
4.	Survey No. 914 to 932 & 936 - Plot no. A-34, Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate, Sinnar, Nashik	98 Years	May 4, 2001	See note 2 & 6
5.	Survey No. 914 to 932 & 936 - Plot No. A-70, 71 and 72 Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate, Sinnar, Nashik	90 Years*	August 1, 1998	See note 3 & 6
6.	Survey No. 914 to 932 & 936 - Plot No. B-113 Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate, Sinnar, Nashik	93 Years**	September 14, 1995	See note 4 & 6
7.	Survey No. 914 to 932 & 936 - Plot No. B -140 Musalgaon, Sinnar, Nashik – 422103	Sinnar Taluka Industrial Co-operative Estate, Sinnar, Nashik	98 Years	***	See note 5 & 6
Corporate Office					
8.	B- 302, 3 rd Floor, Sai Classic, Gavanpada, Mulund (E), Mumbai 400 081	Vijay K Vedmutha, J-58, Palm Acres, Mulund (E), Mumbai 400 081	3 years	November 1, 2009	Leave and License
9.	B- 301, 3 rd Floor, Sai Classic, Gavanpada, Mulund (E), Mumbai 400 081	Ajay K Vedmutha, D-11, MIDC, Street No. 10, Satpur, Nashik 422 007	3 years	November 1, 2009	Leave and License



A nominal rent of Re. 1/- per annum is being paid for all the above mentioned factory premises and a Rent of Rs. 60,000 per annum for the corporate office.

* Originally the plot was allotted by STICE to an entity under lease on November 12, 1990 for 98 years. Due to defaults in repayment of the loan taken by that entity from Maharashtra State Financial Corporation, the same was sold to Shriram Wire Pvt. Ltd. (now merged with the Company) on August 1, 1998.

** Originally the plot was allotted by STICE to an entity under lease on March 15, 2000 for 98 years. Due to defaults in repayment of the loan taken by that entity from Maharashtra State Financial Corporation, the same was sold to Kamdhenu Wire Pvt. Ltd. (now merged with the Company) on September 14, 1995.

*** The date of possession of the land is not ascertainable.

Note 1) For the plot no. A-31, 32, 35 and 57 the company had subscribed to Redeemable construction shares of STICE based on Rs. 12 per sq. mtr. of the area leased for Rs. 80,000/-. In addition an area development fees of Rs. 16,000/- has been paid.

Note 2) For the Plot no, A-33 and 34 the company had subscribed to Redeemable construction shares of STICE based on Rs. 150 per sq. mtr. of the area leased for Rs. 3,00,000/-. In addition an area development fees of Rs. 3,00,000/- has been paid.

Note 3) For the plot no. A-70, 71 and 72 the company had subscribed to Redeemable construction shares of STICE based on Rs. 59 per sq. mtr. of the area leased for Rs. 1,77,000/-. In addition an area development fees of Rs. 1,77,000/- has been paid.

Note 4) For the plot no. B-113 the company had subscribed to Redeemable construction shares of STICE based on Rs. 18 per sq. mtr. of the area leased for Rs. 14,000/-. In addition an area development fees of Rs. 4,000/- has been paid.

Note 5) For the plot no. B-140 the company had subscribed to Redeemable construction shares of STICE based on Rs. 12 per sq. mtr. of the area leased for Rs. 10,000/-. In addition an area development fees of Rs. 2,000/- has been paid.

Note 6) In respect of properties listed in Sr. No. 1 to 7 above, the Company had obtained title Certificate from N B Suryaavanshi & Co., Advcoates, Nasik.



INSURANCE POLICIES

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards in the countries in which we operate.

Sr. No.	Name of the Insurance Company	Policy No. and Details	Period		Location of the Property Insured	Details	Sum Insured (In Rs.)	Premium per annum (In Rs.)
1	Bajaj Allianz General Insurance Company Ltd.	OG-10-1911-4001-00000105	19-May-10	18-May-11	Plot No. 31, 32, 33, 34, 35, 57, 70, 71, 72, B - 113, 140 Sinnar, Nashik	Standard Fire & Perils Policy - Factory Building, Plant & Machinery & Stocks	81,00,00,000	3,94,075
2	Bajaj Allianz General Insurance Company Ltd.	OG-10-1911-4003-00000017	28-Jul-10	27-Jul-11	Plot No. 31, 32, 33, 34, 35, 57, 70, 71, 72, B - 113, 140 Sinnar, Nashik	Standard Fire & Perils Policy - Stock	35,00,00,000	1,84,725
3	Bajaj Allianz General Insurance Company Ltd.	OG/10/2003/1812/00000093	24-Dec-09	23-Dec-10	A 32/35, Sinnar, Nashik	Vehicle Insurance Policy - MH15AK 256 - Bajaj Tempo Traveller	2,92,410	10,365
4	Bajaj Allianz General Insurance Company Ltd.	OG/10/2003/1812/00000087	07-Nov-09	06-Nov-10	A 32/35, Sinnar, Nashik	Vehicle Insurance Policy - MH15AK 441 - Eicher Bus	6,30,360	10,990
5	Reliance General Insurance	1203302615000002	22-Jul-10	21-Jul-11	SF No. 155/3A, Beladhadi Village, Gadag District, Karnataka	1. Fire & Allied Perils Policy: Building & Plant & Machinery 2. Business Interruption 3. Plant & Machinery Break Down 4. Burglary & Housebreaking – Plant & Machinery	51,63,000	21,500
Total							1,16,60,85,770	6,21,655



KEY INDUSTRY REGULATIONS

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

Employment and Labour Laws

1. Factories Act, 1948

The Factories Act, 1948 (**“Factories Act”**) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

2. Payment of Wages Act 1936

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

3. Payment of Bonus Act 1965

The Payment of Bonus Act 1965 is applicable to all establishments employing 20 or more employees. The said Act provides for payments of annual bonus subject to a minimum of 8.33% of wages and maximum of 20% of wages to employees. The Act does not apply to certain establishments. The newly set-up establishments are exempted for five years in certain circumstances. Some of the State Governments have reduced the employment size from 20 to 10 for the purpose of applicability of this Act.



4. Employees' Provident Funds and Miscellaneous Provisions Act, 1952

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

5. Payment of Gratuity Act, 1972

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

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

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

6. Local Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

7. Minimum Wages Act, 1948

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

8. Workmen's Compensation Act, 1923

The Workmen's Compensation Act, 1923 ("WCA") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The



WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

9. Maternity Benefit Act 1951

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

10. Equal Remuneration Act 1979

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

11. Industrial Disputes Act 1947

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

12. Trade Union Act 1926

The Trade Union Act 1926 lays down the procedure for registration of trade unions of workmen and employers. The Trade Unions registered under the Act have been given certain immunities from civil and criminal liabilities.

13. Child Labour Prohibition and Regulation Act 1986

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

ENVIRONMENTAL LEGISLATIONS

14. Water (Prevention and Control of Pollution) Act 1974

The Water (Prevention and Control of Pollution) Act 1974 (“**the Act**”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

15. Air (Prevention and Control of Pollution) Act 1981

Air (Prevention and Control of Pollution) Act 1981 (“**the Act**”) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control



area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

16. The Environment Protection Act 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.



HISTORY AND OTHER CORPORATE MATTERS

History and Major Events

Our Company was originally incorporated as “Bedmutha Wire Company Private Limited” on August 23, 1990 in the State of Maharashtra as Private Limited Company under the Companies Act, 1956 vide Registration No.11-57863 (CIN U31200MH1990PLC057863) . The name of the company was changed to Bedmutha Wire Company Limited on conversion into Public Limited Company and a fresh certificate of incorporation was obtained from Registrar of Companies, Maharashtra on September 23, 1997. The name of the company was further changed to “Bedmutha Industries Limited” and a fresh certificate of incorporation was obtained from Registrar of Companies, Maharashtra on November 18, 2009.

The commercial production was commenced in 1992 with erection of first Galvanized Plant with a installed Capacity of 3600 MTPA at Sinnar, Nashik.. In 1994, our Company increased its installed capacity from 3600 MTPA to 6100 MTPA by de-bottling of galvanized plant. In 1997, our Company did its first expansion by setting up second galvanizing plant with an installed capacity of 5400 MTPA which increases our total installed capacity from 6100 MTPA to 11,500 MTPA.

On September 30,1998 M/s Kamal Wire Drawing, a proprietary concern of Mr. Vijay Kachardas Vedmutha was taken over by our Company as a going concern along with all its assets and liabilities for consideration of Rs. 401.74 Lacs. Towards this, our Company allotted 16,43,768 equity shares of Rs. 10/- each fully paid at a premium of Rs.14.44 per equity share to Mr. Vijay K Vedmutha. M/s Kamal Wire Drawing, a proprietary concern was in operation since 1988 having a wire drawing capacity. Our Company had galvanizing capacity located at the adjacent plot. In order to obtain ISI Marks to our products it was required to have a in house wire drawing capacity. As both the units were adjacent to each other the said takeover was effected to have synergies of operation.

On March 31, 2000 M/s Testing Engineers & Associates, a proprietary concern of Mr. Ajay Kachardas Vedmutha was taken over as a going concern along with all its assets and liabilities for the lumpsum consideration of Rs. 5.00 Lacs. Towards this, our Company allotted 50,000 equity shares of Rs. 10 /- each fully paid in favour of Mr. Ajay Kachardas Vedmutha. The said proprietary concern was engaged in the business of technical consultancy. The same was taken over to have synergies for the technical consultancy division of our company.

With a greater demand of products and expanding marketing network, our Company set up third and fourth galvanized plant in 2003 and 2007 at Sinnar, Nashik with an installed capacity of 5300 MTPA and 8500 MTPA respectively. Due to this, our Company's total galvanized capacity increased to 25,300 MTPA. Our Company also increased the wire drawing capacity from 16,800 MTPA to 18000 MTPA in the year 2005 and subsequently increased the capacity from 18000 MTPA to 60,000 MTPA. In order to increase the product range, our Company set up P.C. Wire Line with an installed capacity of 10,800 MTPA.

Our company had a separate division named “K.R. Bedmutha & Techno Associates (“KRBTA”)”. KRBTA provides consultancy services such as Stability and Safety Certification, NDT Services, 3rd Party Procurement Inspection, Failure Risk Assessment, etc. On July 01, 2008, the Consultancy Division was spun off into a separate entity named as “K.R. Bedmutha Techno Associates Private Limited.”

Our Company has also installed wind power turbine in the year 2007. We have entered into MOU with Tejsri developers (P) Limited for operations and maintenance of wind mill.

For details of our business, please refer to the chapter “Our Business” beginning on page no. 83 of this Red Herring Prospectus.



Changes in Registered Office of our Company:

Date	From	To
01/03/1993	10, Pournima, M, Phule Road, Mulund (E), Bombay – 400081.	A -32, Sinnar Co. Op. Industrial Estate, Sinnar, Dist: Nashik

MILESTONES ACHIEVED BY BEDMUTHA INDUSTRIES LIMITED

YEAR	Milestones Achieved
1990	Year of Incorporation
1992	Commenced commercial production of first Galvanized Plant with installed capacity of 3600 MTPA
1994	De-bottling of existing plant, thereby increasing the Capacity from 3600 MPTA to 6100 MTPA
1994	Approved Vendor of Maharashtra State Electricity Board
1996	Approved Vendor of Gujarat Electricity Board and Karnataka Electricity Board
1997	Expansion by adding Galvanized Plant no-2 of 5400 MTPA and total Capacity of 11,500 MPTA
1998	Backward integration by acquiring the Wire Drawing Capacity from M/s. Kamal Wire with a Capacity of 16,800 MTPA in Sinnar, Nashik.
1999	Approved Vendor of Rajasthan Electricity Board
2000	M/s. Test Engineers and Associates was taken over by Bedmutha Industries Limited
2001	Acquired Deemed Export Order from Rajasthan State Electricity Board (RSEB) under World Bank Tender
2003	3 rd Galvanizing plant was installed adding 5300 MTPA
2004	ISO 9001:2000 certification obtained
2005	Wire Drawing Capacity has enhanced from 16,800 MPTA to 18,000 MTPA
2006	Approved Vendor of Power Grid Corporation
2007	4 th Galvanizing plant was installed taking total galvanizing capacity from 16,800 MTPA to 25,300 MTPA
2008	Expansion of Wire & Wire Products Capacity from 18,000 MTPA to 42,100 MTPA and installation of Wire Nails Capacity of 1800 MTPA and stranding Capacity of 2400 MTPA
2008	Order of Amalgamation passed by Hon'ble High Court at Mumbai of M/s. Ajay Wire Products Private Ltd., Kamdhenu Wire Private Ltd. and Shriram Wire Private Ltd with Bedmutha Industries Limited u/s.391-394 of Companies Act, 1956 in August 2008.
2008	Set up Wind Mill in Karnataka with power generation Capacity of 225 KW
2008	Spin-off of K.R. Bedmutha Techno & Associates consultancy division into separate entity.
2008	Wire Drawing Capacity enhanced from 42,100 to 60,000 MTPA and P.C.Wire Line with a capacity of 10,800 MTPA
2009	Name changed to Bedmutha Industries Ltd
2009	Acquired 51% stake in Kamlasha infrastructure and Engineering Pvt. Ltd for implementation of turnkey contract of electrification.

**Scheme of Amalgamation**

The Hon'ble High Court of Mumbai vide its Order dated August 29, 2008 has approved the Scheme of Amalgamation entered into by the company under Section 391 and 394 of the Companies Act, 1956 with three companies namely M/s. Ajay Wire Private Limited (AWPL), Kamdhenu Wire Private Limited (KWPL) and Shriram Wire Private Ltd (SWPL). As per this Order, 22, 96, 862 equity shares of our company were issued to the shareholders of these companies in the ratio stated below:

Sr. No	No. of equity shares of Rs. 10 each in Bedmutha Industries Ltd. (Transferee/Issuer Company)	In exchange of no. of equity shares of Rs. 10/- each	Name of the Transferor Company
1	138	10	Ajay Wire Products Private Limited
2	135	10	Kamdhenu Wire Private Limited
3.	11	10	Shriram Wire Private Ltd

Salient features of the Scheme of Amalgamation are as follows:**Share capital:**

1. The authorised share capital of AWPL was Rs. 25.00 Lacs and the issued, subscribed and paid up capital was Rs. 1.60 Lacs.
2. The authorised share capital of KWPL was Rs. 20.00 Lacs and the issued, subscribed and paid-up share capital was Rs. 20.00 Lacs
3. The authorised share capital of SWPL was Rs. 200.00 Lacs and the issued, subscribed and paid-up share capital was Rs. 182.25 Lacs
4. The authorised share capital of BIL was Rs. 1500.00 Lacs and the issued, subscribed and paid-up share capital was Rs. 669.89 Lacs

Transfer and vesting: With effect from the Appointed Date April 01, 2007, the amalgamated undertaking stands transferred and vested in the Company as a going concern. The movable assets of the amalgamated undertaking also stand transferred and vested in the Company to become its property, estate and assets on the Appointed Date.

Licenses and permits: On the Appointed Date, all licenses, permits, quotas, approvals, permissions, incentives loans, subsidies, concessions, grants, claims, leases, tenancy rights, special status and other benefits or privileges of the amalgamated undertaking were transferred in favour of the Company.

Indebtedness: With effect from the Appointed Date all debts, liabilities, duties and obligations of AWPL, KWPL, SWPL, stand transferred to the Company (BIL).

Investments: With effect from the Appointed Date investments of all kinds, cash balances with banks, mutual funds, loans, advances, contingent rights or benefits, receivables, benefits of any deposits made by AWPL, KWPL, SWPL stand transferred to the Company (BIL).

Legal proceedings: With the coming into effect of the Scheme all suits, actions and proceedings by or against AWPL, KWPL, SWPL pending on and/or arising on or before the effective date to be continued and be enforced by or against the Company (BIL).



Employees: All employees of AWPL, KWPL, SWPL on the effective date (last date on which all the conditions and matters in relation to the amalgamation have been obtained or fulfilled) transferred to the Company (BIL) on terms and conditions not less favourable than those subsisting with reference to AWPL, KWPL, SWPL.

Accounting treatment: All the assets and liabilities of AWPL, KWPL, SWPL as recorded in their books on the Appointed Date shall be recorded by the Company (BIL) at their book value as appearing in the books of AWPL, KWPL, SWPL. Accounting for the amalgamation of AWPL, KWPL, SWPL and the treatment of goodwill or reserves, if any, in the books of the Company is to be in accordance with the provisions of Accounting Standard 14 issued by the Institute of Chartered Accountants of India.

Main Objects of our Company:

The main objects of the company are as follows:

To do the business of wire drawing and manufacturers of, dealers in and exporters and importers in wires, wire rods, wire products, galvanizing of wires, C.A. Tapes, wires, copper wire, aluminum wires, brass wires, zinc wires and wires of all ferrous and non-ferrous metal and their components and to cover these wires wherever necessary with rubber, plastic or any other non-conductor and to manufacture overhead and underground cables, electric wires of all description and grades.

Amendments to our Memorandum of Association

The amendments in our Memorandum of Association of the company are as follows:

Sr. No.	Changes in Memorandum of Association of the Company	Date of General meeting
1.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 5,00,000/- divided into 5,000 Equity Shares of Rs. 100/- each to Rs. 10,00,000/- divided into 10,000 Equity Shares of Rs. 100/- each.	August 14, 1991
2.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 10,00,000/- divided into 10,000 Equity Shares of Rs. 100/- each to Rs. 22,00,000/- divided into 22,000 Equity Shares of Rs. 100/- each.	January 07, 1993
3.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 22,00,000/- divided into 22,000 Equity Shares of Rs. 100/- each to Rs. 1,10,00,000/- divided into 1,10,000 Equity Shares of Rs. 100/- each.	January 10, 1997
4.	Change of name of the Company from Bedmutha Wire Company Private Limited to Bedmutha Wire Company Limited by way of conversion into Public Limited Company and Memorandum was amended pursuant to change of name.	February 21, 1997
5.	All the Equity shares of Rs. 100/- each subdivided into Equity Shares of Rs. 10/- each Clause V of Memorandum was amended to give the effect of subdivision whereby the Authorised Share Capital of the Company is Rs 1,10,00,000/- divided into 11,00,000 Equity Shares of Rs. 10/- each.	September 01, 1998
6.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 1,10,00,000/- divided into 11,00,000 Equity Shares of Rs. 10/- each to Rs. 2,70,00,000/- divided into 27,00,000 Equity Shares of Rs. 10/- each.	October 01, 1998



Sr. No.	Changes in Memorandum of Association of the Company	Date of General meeting
7.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 2,70,00,000/- divided into 27,00,000 Equity Shares of Rs. 10/- each to Rs. 3,70,00,000/- divided into 37,00,000 Equity Shares of Rs. 10/- each.	November 01, 2000
8.	Clause III (C) of Memorandum was amended by incorporating new clauses in the Other Objects.	January 23, 2004
9.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 3,70,00,000/- divided into 37,00,000 Equity Shares of Rs. 10/- each to Rs. 4,10,00,000/- divided into 41,00,000 Equity Shares of Rs. 10/- each.	March 26, 2007
10.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 4,10,00,000/- divided into 41,00,000 Equity Shares of Rs. 10/- each to Rs. 15,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs. 10/- each.	February 19, 2008
11.	Memorandum was amended due to renumbering of the sub-clauses mentioned under Clause III Part 'B' and Part 'C'	July 14, 2008
12.	Change of the name of the company from "Bedmutha Wire Company Limited" to "Bedmutha Industries Limited" and Memorandum was amended pursuant to change of name.	November 03, 2009
13.	Clause V of Memorandum was amended whereby the Authorised Share Capital was increased from Rs. 15,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs. 10/- each to Rs. 25,00,00,000/- divided into 2,50,00,000 Equity Shares of Rs. 10/- each.	November 19, 2009



Subsidiary of the Company:

Our Company has a subsidiary and the details of which are as follows:

Kamalasha Infrastructure & Engineering Private Limited ("KIEPL")

Constitution	Private Limited Company
Date of Incorporation	February 03, 2007
CIN No.	U45200MH2007PTC167532
Registered office	D-11,MIDC, Satpur, Nashik
Nature of Business	The company is engaged in the business of infrastructural projects

The authorized share capital of KIEPL is Rs. 1,25,00,000 divided into 12,50,000 equity shares of Rs 10/- each and the issued and paid up capital of KIEPL is Rs. 99,00,000 divided into 9,90,000 equity shares of Rs. 10/- each.

KIEPL has been awarded project for implementation of turnkey contract of electrification in Dharangaon Division, Jalgaon Circle, and Nashik Zone.

Board of Directors as of January 31, 2010

- Mr. Kachardas R Bedmutha
- Mr. Ajay K Vedmutha
- Mr. N.A. Makwana

Shareholding pattern as of March 31, 2010

Sr. No.	Name of the shareholders	No. of Equity Shares of Rs. 10/- each	% holding
1.	Bedmutha Industries Limited	5,42,000	54.75
2.	Margo Engineers Pvt. Limited	2,50,000	25.25
3.	Bedmutha Sons Realty ventures Pvt. Limited	1,48,500	15.00
4.	Kachardas R Bedmutha	49,500	5.00
	Total	9,90,000	100.00

The date of issuance of shares and the name of allottees is as follows:

Date of Allotment	Name of allottee	No. of shares	% of present paid up capital	Issue Price per Share (Rs.)	Nature of allotment
05/04/2007	Bedmutha Industries Ltd.*	2,300	0.23	10.00	Subscription to MOA
	Mr. Kachardas R. Bedmutha	7,700	0.78	10.00	
29/03/2009	Mr. Chintaman Sadashiv Mali	23,058	2.33	200.00	Further Allotment
14/05/2009	Bedmutha Sons realty ventures Pvt. Ltd.	642	0.06	10.00	Further Allotment
07/07/2009	Bedmutha Industries Ltd.	29,900	3.02	Nil	Bonus Issue in the ratio @13:1
	Mr. Kachardas R. Bedmutha	3,16,654	31.99	Nil	
	Bedmutha Sons realty ventures Pvt. Ltd.	91,546	9.25	Nil	
01/10/2009	Bedmutha Industries Ltd.	2,68,200	27.09	10.00	Further Allotment
	Margo Engineers Pvt. Ltd.	2,50,000	25.25	10.00	Further Allotment
	Total	9,90,000	100.00		

* Bedmutha Industries Ltd. was formerly known as Bedmutha Wire Co. Ltd.



The Issuer Company holds 54.75% of KIEPL. The details of acquisition of KIEPL shares with reference to date of acquisition, price at which shares were acquired and from whom are as follows :

Sr. No.	Date of Allotment/ Acquisition	No. of Shares	Price Per Share	Details
1	05/04/2007	2,300	10/-	Subscription to Memorandum & Articles of Association
2	07/07/2009	29,900	Nil	Bonus @ 13:1
3	27/07/2009	2,41,600	10/-	Transferred from Mr. Kachardas R. Bedmutha
4	01/10/2009	2,68,200	10/-	Further Allotment
	Total	5,42,000		

The details of transfers in the shares of KIEPL are as under :

Date Transfer	Name of the Transferor	Name of Transferee	No. of shares	Price Per Share
05/04/2009	Mr. Chintaman Sadashiv Mali	Mr. Manish Bothra	23,058	200/-
14/05/2009	Mr. Manish Bothra	Mr. K. R. Bedmutha	16,658	200/-
14/05/2009	Mr. Manish Bothra	Bedmutha Sons realty ventures Pvt. Ltd.	6,400	200/-
27/07/2009	Mr. K. R. Bedmutha	Bedmutha Industries Ltd.	2,41,600	10/-
27/07/2009	Mr. K. R. Bedmutha	Bedmutha Sons realty ventures Pvt. Ltd.	49,912	10/-

Financial Results

The audited financials for financial year March 31, 2010, 2009 and 2008 are set forth below:

Particulars	(Rs in Lacs)		
	F.Y. 2010	F.Y. 2009	F.Y. 2008
Equity Capital	99.00	3.30	1.00
Share Premium	1.06	-	-
Reserves & Surplus (excluding revaluation reserves)	210.31	44.26	-
Sales/Turnover	1612.60	-	-
Other Income	0.41	0.75	-
Profit/(Loss) after tax	208.64	0.55	(0.08)
Earnings per share (in Rs)	21.07	1.67	-
Net Asset Value per share (in Rs)	31.23	143.28	-

KIEPL was promoted for implementing turnkey contracts for infrastructure, namely in power, roads, railways etc.

Maharashtra State Electricity Distribution Company Limited (MSEDCL) through competitive bids, awarded a contract jointly to Ashoka Buildcon Limited (ABL) and Telsa Transformers Limited, Bhopal, vide letter of Award dated 06/05/2009. The said contract is for the works for Supply, Test, transport, construction, erection, testing and commissioning of sub-transmission lines, distribution lines, power transformers, new substations, augmentation of existing S/S, distribution transformers of varying capacities and other allied works including a two year guarantee (defects liability) period, for the Infrastructure plan Phase – II Project at Dharangaon.

KIEPL has been given a sub-contract to execute work permissible under the main contract by ABL vide the 'Sub contract Agreement' dated 27/05/2009 entered into between ABL and KIEPL. In terms of the said



Agreement not more than 49% of the main contract value and limited upto Rs. 60.40 crores in Dharangaon Division, Nashik Zone shall be executed by KIEPL. The scope of the work of KIEPL includes preparation of new sub-stations, augmentation in old sub-stations, laying of 33KV and 11KV lines approximately 600 kms, installing around 500 Distribution Transformers (DTC) etc.

This project awarded to KIEPL thus offers a direct synergy to Bedmutha Industries Limited in terms of consuming GI Wires, Stay Wire to be acquired from the Company and also offers an indirect synergy by consuming PSC Poles, cables, conductors which consumes wire produced by Bedmutha Industries Limited.

Shareholders' Agreement

Our Company does not have any Shareholders' Agreement existing as on date of filing this RHP.

Collaboration

Our Company has not entered into any collaboration with any third party as per regulation (VIII) (B)(1)(c) of part A Schedule VIII of SEBI(ICDR) Regulations.

Other Agreements

Succession Agreement with K R Bedmutha Techno Associates Private Limited

The succession agreement was entered between our company and K R Bedmutha Techno Associates Private Limited on July 01, 2008 and the salient features are as under:

- a) The running profession of our chartered engineering of division viz. "K.R.Bedmutha & Techno Associates", stands transferred / assigned to the special purpose company ("KRBTA PL"), w.e.f. 01.07.2008.
- b) All the on-going assignments, shall stand transferred to 'KRBTA PL' for execution, at the price for remaining work less 75% of price of the remaining work, to be retained by our company to cover its related costs.
- c) All the new assignments will be carried out by 'KRBTA PL' and for the purposes of tender qualification, 'KRBTA PL' will be entitled to use the credentials, including financial performance data, of our company in this profession, as a successor of BIL in the profession of chartered engineering, technical consultancy, etc.
- d) The assets and liabilities of the running profession of chartered engineering, belonging to/owned by our company stand transferred to 'KRBTA PL', at book value of such assets and liabilities, as a successor of our company in the profession of chartered engineering, carried on in the name and style of 'K.R. Bedmutha & Techno Associates'.
- e) Working capital requirement, if any, will be provided by our company till 30.9.2009 @ 12% p.a. interest. The balance outstanding as on this account will be repaid by KRBTA PL within a period of 5 years, along with interest.
- f) All the rights like tenancy rights, interests, licenses, registrations, etc, stand transferred in favor of 'KRBTA PL', as a successor of BIL. In the profession of chartered engineering, carried on in the name and style of 'K.R. Bedmutha & Techno Associates', For transfer of the rights, interests, licenses, registrations, etc. in favor of 'KRBTA PL' our company has agreed to cooperate fully and sign Such applications, agreements, declarations, letters, etc. as may be necessary.
- g) It is specifically agreed amongst the parties to this Agreement that, hereafter our company will not carry on the profession of chartered engineering, technical consultancy, etc, except with respect to



the work orders in hand and the work orders for which tenders are already submitted, prior to this Agreement and subject to the condition that, such works will be executed by KRB TAPL on the terms mentioned in the Agreement.

- h) The price consideration determined for transfer of the profession of chartered engineering is at book value, of the assets and liabilities transferred i.e. Rs. 63.65 Lacs and the same shall be payable to BIL within a period of 5 years from 01.04.2009 and such amount will carry an interest of 9% p.a. till such time.

Power Purchase Agreement with Hubli Electricity Supply Company Ltd., (HESCOM) dated 5th December 2007.

- a) Unless terminated earlier, the agreement to be effective for a period of 20 years from the Commercial Operation Date and may be renewed for further period of 10 years on such terms and conditions as may be mutually agreed, subject to the approval of Karnataka Electricity Regulatory Commission 90 days prior to the expiry of 20 years.
- b) The obligations of HESCOM under the agreement is subject to and conditional upon the Company receiving all permits, clearances and approvals and the occurrence of financial closure. Financial Closure to be achieved within 6 months from the date of the signing of the Agreement.
- c) Non fulfillment of the conditions precedent within the period mentioned in schedule 4 of the agreement shall render the agreement null and void and HESCOM shall stand discharged of all its obligations.
- d) HESCOM to pay for the delivered energy, for the first 10 years from the Commercial Operation @ 3.40 per kilowatt-hour without any escalation. From 11th year onwards, HESCOM to pay for the energy delivered at the Metering Point at the rate determined by the Karnataka Electricity Regulatory Commission. In case HESCOM is unwilling to purchase the power at the rate determined by the Commission, the Company is free to sell the energy to third parties and enter into a Wheeling & Banking agreement with HESCOM/Corporation to sell power for which it will pay transmission and other charges to HESCOM/Corporation at the rates applicable from time to time as approved by the Commission.
- e) Company to pay to HESCOM on or before the signing of the agreement, @ Rs. 37,000/- per MW of Installed capacity or part thereof on a prorata basis as a one time sump sum payment for providing the required MVAR capacity at the sub-station of KPTCL/HESCOM to which the project is interconnected to supply the requisite reactive power to Grid system.

Financial / Strategic Partners

There is no financial or strategic partner in our business

Restrictive covenants

We have entered into consortium agreement with Punjab National Bank, Bank of India and Andhra Bank for Term Loan and working capital requirements. Some of these agreements contain restrictive covenants, brief information is as follows:

During the currency of the Banks credit facilities the company shall not, without the prior approval of the bank in writing

- Effect any change in capital structure
- Formulate any scheme of amalgamation or reconstruction.
- Undertake any new project or expansion or modernization schemes or make any capital expenditure other than those estimated/projected in the CMA data
- Enter into borrowing arrangements either on secured or unsecured basis with any other bank, financial institution, borrower or otherwise save and except the working capital facilities granted/to be



- granted by other member banks, under consortium arrangement with the bank and the term loans to be obtained from financial institution
- Undertake guarantee obligations on behalf of any other borrower/organization;
 - Declare dividends for any year, if the account (s) of the borrower with the Bank is/are running irregular or if any of the terms & conditions of the sanction remain uncomplied with by the Company.
 - Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, borrower, firm or persons:
 - Sell assign mortgage, alienate or otherwise dispose of any of the asset of borrower charged to the Bank;
 - Enter Into any contractual obligation of a long term nature affecting the Company financially to a significant extent;
 - Undertake any activity other than those indicated in the Object Clause of the Memorandum of Association of the company;
 - Permit any transfer of the controlling interest or make any drastic change in the enlargement set up;
 - Divert/utilize Bank's funds to other sister/ associate/group concerns or for purposes other than those for which the credit facilities have been sanctioned



OUR MANAGEMENT

Name, Age, Father's Name, Address, Designation, Occupation Status Nationality and DIN	Date of Appointment and Terms of Office	Qualification	Other Directorships
Mr. Kachardas Ratanchand Bedmutha Age: 72 years S/o: Mr. Ratanchand Bhikchand Bedmutha Address: D-11, MIDC, Satpur, Nashik – 422 007. Designation: Executive Chairman and Additional Director Status: Promoter and Executive Occupation: Business Nationality: Indian DIN: 01724420	Appointed as Executive Chairman w.e.f. 14.11.2009 for a period of 3 years	B.E. (Electrical)	1. Bedmutha sons reality Ventures Private Limited 2. Ashoka Pre-con private Limited 3. Kamalasha Infrastructure and Engineering Private Limited
Mr. Vijay Kachardas Vedmutha Age: 45 years S/o: Kachardas R. Bedmutha Address: D-11, MIDC, Satpur, Nashik – 422 007. Designation: Managing Director Status: Promoter and Executive Occupation: Business Nationality: Indian DIN: 00716056	Appointed as Managing Director w.e.f. 14.11.2009 for a period of 3 years	B.E.(Indl. & Prod.), MBA, AMIE, AMIV, SLAL No. 12755, MIIPE, AMIEE.	1. Bedmutha Sons Reality Ventures Private Limited 2. KRBTA Unison Private Limited
Mr. Ajay Kachardas Vedmutha Age: 43 years S/o: Kachardas Ratanchand Bedmutha Address: D-11, MIDC, Satpur, Nashik – 422 007. Designation: Joint Managing Director Status: Promoter and Executive Occupation: Business Nationality: Indian DIN: 01726879	Appointed as Joint Managing Director w.e.f. 14.11.2009 for a period of 3 years	B.E. (Mech.), A.M.I.E., A.M.I.V., M.D.S.T.A.I.I.P.E, S.L.A. GOVT L. No.21111	1. Kamalasha Infrastructure and Engineering Private Limited 2. Bedmutha Sons Reality Ventures Private Limited 3. Ashoka Pre-con private Limited 4. Precrete Technologies Pvt. Ltd.



Name, Age, Father's Name, Address, Designation, Occupation Status Nationality and DIN	Date of Appointment and Terms of Office	Qualification	Other Directorships
Mr. Achutaraman Balasubramanian Age: 61 years S/o: Achutaraman Venkataraman Address: 69 Pachaippa's College Hostel Road, Chetpet, Chennai – 600 031 Designation: Additional Director Status: Independent and Non Executive Occupation: Chartered Accountant Nationality: Indian DIN 00490921	Appointed as Additional Director w.e.f. 14.11.2009	B.Sc., F.C.A.	1. Nelcast Limited 2. Am-Tech Packs Limited
Mr. Narayan Marotrao Kadu Age: 61 years S/o: Marotrao Panduji Kadu Address: 205, Mangalmurti Apt., Khare Town, Dharampeth, Nagpur – 440 010. Designation: Additional Director Status: Independent and Non Executive Occupation: Retired Banker Nationality: Indian DIN 02807124	Appointed as Additional Director w.e.f. 14.11.2009	M.Sc. (Agri), CAIIB	Nil
Mr. Shital Vijay Nahar Age: 38 years S/o: Vijay Nemichand Nahar Address: C-102, Ashit Apt., Shivaji Nagar, Model Colony, Pune – 411 016. Designation: Director Status: Independent and Non Executive Occupation: Business Nationality: Indian DIN: 01782566	Appointed as Additional Director w.e.f. 29.07.2008. Approved as Director in the AGM held on 29.09.2008.	B.E. Computer & Diploma in Electrical Engineering	1. Nahar Integrated System Services Private Limited

Note: None of the above mentioned Directors are on the RBI list of willful defaulters



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

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

There is no arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned Directors were selected as a Director of our Company.

Nature of Family Relationship between Directors:

Mr. Vijay K. Vedmutha (Managing Director) and Mr. Ajay K. Vedmutha (Joint Managing Director) both are sons of Mr. Kachardas R. Bedmutha. **(Executive Chairman)**

BRIEF BIOGRAPHIES OF THE CHAIRMAN, MANAGING DIRECTOR AND JOINT MANAGING DIRECTOR AND DIRECTORS

Mr. Kachardas Bedmutha, aged 72 years is an Engineer by qualification. He is a founder of Bedmutha Industries Limited (BIL). Under his able leadership the BIL has grown from single product to multiproduct group. Mr. K.R. Bedmutha has worked with leading companies such as Birla Group, Heavy Engineering Corporation and Indian Tools, etc before venturing in the industry. He is the member of Institution of Engineers (India), Indian Institute of Industrial Engineers, and Institute of Works Managers (London), Board of National Safety Council and Industrial Safety and Health Association. Mr. Bedmutha promoted Bedmutha Industries Limited in 1990 along with his sons. Shri K. R. Bedmutha has been awarded with "Bhartiya Udyog Ratan Award" by Indian Economic Development and Research Association IEDRA New Delhi for Energy Conservation Drive 2003. He has promoted other group companies 'M/s. Elme Plast', 'M/s. Kamal Wires' K.R. Bedmutha Techno Associates etc. K.R. Bedmutha is Executive Chairman of the company and represents the promoter group.

Mr. Vijay K. Vedmutha, aged 45 years, elder son of Mr. K.R. Bedmutha is Industrial & Production Engineer by qualification. He has done MBA with specialization in Finance. He is a member of 'Institution of Engineers India', 'Associate Member of Institute of Valuers (India)', 'Institute of Surveyors & Loss of Assessors', 'Associate Member of the Society of Non-destructive Tester Institute' and 'Indian Institute of Plant Engineers'. Mr. Vijay Vedmutha is a Managing Director of the company and represents the promoter group. He joined our company in 1985 and oversees the Marketing and Finance operations of the company.

Mr. Ajay K. Vedmutha, aged 43 years, younger son of Mr. K.R. Bedmutha is a Mechanical Engineer by qualification. He is member of 'Institution of Engineers of India', 'Deccan Sugar Technologies & Association'. Life Member of the 'National Safety Council' and 'Institute of Energy Engineers'. Mr. Ajay Vedmutha is Joint Managing Director of the company and represents the promoter group. He joined the company in 1987 and has been on the Board of Directors since that date. He is responsible for Production, Planning and Control operations of the company.

Mr. A. Balasubramanian, aged 61 years is B Sc, FCA by qualification. He started his career with M/s Sunder & Co, Chartered Accountants, Chennai and later joined M/s Wandleside National Conductors Ltd (a Subsidiary of Volla Ltd.), and served them for more than 4 years. He has worked with Punjab National Bank for 27 years. He joined the bank in 1981 as Manager (Credit) and rose to the position of General Manager. He has worked in Head Office in various capacities and has been closely associated with appraisal of credit proposals. During his tenure with the Bank he has been associated with all types of industrial as well as other types of borrowal accounts. He joined our company on November 14, 2009 as an Independent Director.

Mr. N M Kadu, aged 61 years, is M Sc. CAIIB by qualification. He has worked with Punjab National Bank for around 32 years. He joined the bank in 1977 as Technical Officer and rose to the post of Asstt. General Manager. He has 'Worked in various capacities while he was with the Bank. He has handled many branches



and has been posted as Regional Manager of Rajkot Region, Gujarat, Pune Region, Maharashtra as well as Indore Region, MP for over 8 years. During his tenure with the bank he was associated with all types of industrial as well as other types of borrowal accounts. He joined the company on November 14, 2009 as an Independent Director.

Mr. Shital Nahar, aged 38 years, is a B.E. Computer & Diploma In Electrical Engg by qualification. He is a past President of Computer & Media Dealers Association (CMDA) & is currently a member in advisory capacity. He is engaged in the business of computer hardware, networking & latest technology applications. He joined the company's Board on September 29, 2008 as an Independent Director.

Borrowing Powers of our Board:

Pursuant to a resolution passed by our shareholders on September 30, 2009, in accordance with provisions of the section 293(1)(d) and other applicable provisions if any of the Companies Act, 1956 our Board has been authorized to borrow from time to time any sum or sums of money which together with the monies already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of our Company and its free reserves that is to say, reserves not set apart for any specific purposes, provided however that the sums so borrowed shall not exceed Rs. 200,00 Lacs.

Service Contracts

There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment except as mentioned below

Remuneration of Directors:

Terms and conditions of appointment of the Chairman Mr. K.R. Bedmutha:

The terms and conditions vide resolution passed at the meeting held on November 14, 2009 are as under:

Period of Appointment: 3 (Three) years (14th November, 2009 to 13th November, 2012).

The following remuneration is effective from 14th November, 2009 for a period of three years:

Salary: Rs.2,00,000/-(Rupees Two Lakh Only) per month with an annual increment in the scale of Rs.2,00,000/- -Rs.10,000/- , Rs.2,10,000/- - Rs.10,000/- -Rs.2,20,000/-. Any increase in the salary resulting in the remuneration payable beyond the maximum ceiling from time to time, under Schedule XIII {viz. at present Rs.42,00,000/- (Rupees Forty Two Lacs only) per annum} shall be subject to the approval of the members and/or such other approval, as may be required under the Act.

Fixed Dearness Allowance: 10% of the Salary

Bonus: 16.66% of the basic salary plus fixed dearness allowance as per Company Policy.

Incentive Bonus/Commission: The appointee will be paid such amount by way of Incentive Bonus and/or commission, in addition to the salary and perquisites payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Act and Schedule XIII as may be applicable from time to time. Any additional incentive Bonus I commission over and above the maximum ceiling will be payable, subject to prior approval of the members and the Central Government.

The specific amount payable to the appointee will be based on certain performance criteria to be laid down by the Board and Remuneration Committee and will be payable annually in one or more tranches.



Perquisites

Category 'A'

- a) **House Rent Allowance:** 10% of Basic Salary per month
- b) **Medical Reimbursement:** 8.33% of Basic Salary per month towards medical expenses towards self and family.
- c) **Leave Travel Allowances:** Self and family not exceeding one month salary for every 11 months of service.

Explanation: Family means the spouse, dependant children and parents of the appointee.

Category 'B'

The following will not be considered as perquisites:

- (i) The contributions to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (ii) Gratuity payable not exceeding half a month's salary for every completed year of service;
- (iii) Encashment of leave at the end of the tenure; and
- (iv) Provision of car with chauffeur for use on Company's business and telephone and other communication facilities at residence. However, personal long distance calls and use of car for private purpose shall be billed by the Company.

Other terms and conditions:

- i. The appointee will be entitled to one month's leave with full pay and allowance for every eleven months' of service. Such leave may be accumulated in accordance with the Company's rules and practices in force from time to time;
- ii. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule XIII to the Companies Act, 1956 or any amendments made hereafter as may be agreed to between the Directors and the appointee; and
- iii. The remuneration, terms and conditions of the said appointment of the appointee may be varied from time to time subject to the condition of Schedule XIII to the Companies Act, 1956, or any amendment made hereafter, as may be agreed to, between the Directors and the appointee.

Terms and conditions of appointment of the Managing Director Mr. Vijay Vedmutha:

The terms and conditions vide resolution passed at the meeting held on November 14, 2009 are as under:

Period of Appointment: 3 (Three) years (14th November, 2009 to 13th November, 2012).

The following remuneration is to be effective from 14th November, 2009 for a period of three years:

Salary: Rs.2,00,000/-(Rupees Two Lac Only) per month with an annual increment in the scale of Rs.2,00,000/- - Rs.10,000/- - Rs.2,10,000/- - Rs.10,000/- - Rs.2,20,000/-. Any increase in the salary resulting in the remuneration payable beyond the maximum ceiling from time to time, under Schedule XIII {viz. at present Rs.42,00,000/- (Rupees Forty Two Lacs only) per annum} shall be subject to the approval of the members and/or such other approval, as may be required under the Act.



Fixed Dearness Allowance: 10% of the Salary amount.

Bonus: 16.66% of the basic salary plus fixed dearness allowance as per Company policy.

Incentive Bonus/Commission: The appointee will be paid such amount by way of Incentive Bonus and/or commission, in addition to the salary and perquisites payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Act and Schedule XIII as may be applicable from time to time. Any additional incentive Bonus I commission over and above the maximum ceiling will be payable, subject to prior approval of the members and the Central Government.

The specific amount payable to the appointee will be based on certain performance criteria to be laid down by the Board and Remuneration Committee and will be payable annually in one or more tranches.

Perquisites

Category 'A'

- a) **House Rent Allowance:** 10% of Basic Salary per month
- b) **Medical Reimbursement:** 8.33% of Basic Salary per month towards medical expenses towards self and family.
- c) **Leave Travel Allowances:** Self and family not exceeding one month salary for every 11 months of service.

Explanation: Family means the spouse, dependant children and parents of the appointee.

Category 'B'

The following will not be considered as perquisites:

- (i) The contributions to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (ii) Gratuity payable not exceeding half a month's salary for every completed year of service;
- (iii) Encashment of leave at the end of the tenure; and
- (iv) Provision of car with chauffeur for use on Company's business and telephone and other communication facilities at residence. However, personal long distance calls and use of car for private purpose shall be billed by the Company.

Other terms and conditions:

- i. The appointee will be entitled to one month's leave with full pay and allowance for every eleven months' of service. Such leave may be accumulated in accordance with the Company's rules and practices in force from time to time;
- ii. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule XIII to the Companies Act, 1956 or any amendments made hereafter as may be agreed to between the Directors and the appointee; and
- iii. The remuneration, terms and conditions of the said appointment of the appointee may be varied from time to time subject to the condition of Schedule XIII to the Companies Act, 1956, or any amendment made hereafter, as may be agreed to, between the Directors and the appointee.



Terms and conditions of appointment of the Joint Managing Director Mr. Ajay Vedmutha:

The terms and conditions vide resolution passed at the meeting held on November 14, 2009 are as under:

Period of Appointment: 3 (Three) years (14th November, 2009 to 13th November, 2012).

The following remuneration is to be effective from 14th November, 2009 for the above managerial personnel for a period of three years:

Salary: Rs.2,00,000/-(Rupees Two Lac Only) per month with an annual increment in the scale of Rs.2,00,000/- to Rs.10,00,000/- to Rs.2,10,000/- - Rs.10,00,000/- - Rs.2,20,000/-. Any increase in the salary resulting in the remuneration payable beyond the maximum ceiling from time to time, under Schedule XIII {viz. at present Rs.42,00,000/- (Rupees Forty Two Lacs only) per annum} shall be subject to the approval of the members and/or such other approval, as may be required under the Act.

Fixed Dearness Allowance: 10% of the Salary amount.

Bonus: 16.66% of the basic salary plus fixed dearness allowance as per Company policy.

Incentive Bonus/Commission: The appointee will be paid such amount by way of Incentive Bonus and/or commission, in addition to the salary and perquisites payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Act and Schedule XIII as may be applicable from time to time. Any additional incentive Bonus I commission over and above the maximum ceiling will be payable, subject to prior approval of the members and the Central Government.

The specific amount payable to the appointee will be based on certain performance criteria to be laid down by the Board and Remuneration Committee and will be payable annually in one or more tranches.

Perquisites

Category 'A'

a) House Rent Allowance: 10% of Basic Salary per month

b) Medical Reimbursement: 8.33% of Basic Salary per month towards medical expenses towards self and family.

c) Leave Travel Allowances: Self and family not exceeding one month salary for every 11 months of service.

Explanation: Family means the spouse, dependant children and parents of the appointee.

Category 'B'

The following will not be considered as perquisites:

- (i) The contributions to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (ii) Gratuity payable not exceeding half a month's salary for every completed year of service;
- (iii) Encashment of leave at the end of the tenure; and
- (iv) Provision of car with chauffeur for use on Company's business and telephone and other communication facilities at residence. However, personal long distance calls and use of car for private purpose shall be billed by the Company.

**Other terms and conditions:**

- i. The appointee will be entitled to one month's leave with full pay and allowance for every eleven months' of service. Such leave may be accumulated in accordance with the Company's rules and practices in force from time to time;
- ii. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule XIII to the Companies Act, 1956 or any amendments made hereafter as may be agreed to between the Directors and the appointee; and
- iii. The remuneration, terms and conditions of the said appointment of the appointee may be varied from time to time subject to the condition of Schedule XIII to the Companies Act, 1956, or any amendment made hereafter, as may be agreed to, between the Directors and the appointee.

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 travelling and other incidental expenses, if any.

Apart from the remuneration of certain of our Executive Directors as stipulated under the heading "Remuneration of Directors" on page no. 118 of this Red Herring Prospectus above, our Non Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act and the rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

Shareholding of the Directors:

The Articles of our Company do not require the Directors to hold any qualification shares. The Directors, shareholding as on the date of Red Herring Prospectus is 7729475 Equity Shares of our Company as detailed below:

Name of the Director	No. of Equity Shares	Percentage
Mr. Vijay K. Vedmutha	3188059	26.51
Mr. K. R. Vedmutha	1353357	11.25
Mr. Ajay K. Vedmutha	3188059	26.51

Interest of Directors

All Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles. The executive Directors will be interested to the extent of remuneration paid to them for services rendered by them as officer or employee of our Company. All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or that may be subscribed by or allotted to their relatives or the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Directors may be deemed to be interested in the transactions entered into by our Company and the ventures where they are interested as a Promoter, Director or otherwise. Mr. K. R. Bedmutha (Chairman) and Mr. Ajay K. Vedmutha (Joint Managing Director) are deemed to be interested to the extent of Rs. 200.00



lacs and Rs. 152.80 lacs respectively paid as advance for acquisition of land. The total consideration proposed to be paid for the said land is Rs. 600.00 lacs

Further, our directors who are members or directors on the boards of certain Group Companies may be deemed to be interested to the extent of the payments made by the Company, if any, to these Group Companies. For the payments that are made by the Company to certain Group Companies, please refer to the section entitled "Related Party Transactions" on page no. 191 of this Red Herring Prospectus.

Our Company has not entered into any contracts or arrangements during the preceding two years in which the Directors are interested directly or indirectly or no payments have been made to them in respect of these contracts or arrangements except those mentioned in the section "Property" on page no. 97

Changes in our Board of Directors in the last three years

Sr. No.	Name	Date of Appointment	Date of Resignation	Reasons
1.	Ajay K. Vedmutha	01/04/2008		Appointed as Managing Director
2.	Shital Vijay Nahar	29/07/2008	-	Appointed as an Additional Director
3.	Narayan Marotrao Kadu	14/11/2009	-	Appointed as an Additional Director
4.	Kachardas Ratanchand Bedmutha	14/11/2009	-	Appointed as whole time Director
5.	Vijay K. Vedmutha	14/11/2009	-	Appointed as Managing Director
6.	Ajay K. Vedmutha	14/11/2009	-	Change in designation and Appointed as Joint Managing Director
7.	Achutharaman Balasubramanian	14/11/2009	-	Appointed as an Additional Director
8.	Asha Rasik Shetiya	29/07/2008	14/11/2009	Resigned due to pre-occupation
9.	Usha V. Vedmutha	-	14/11/2009	Resigned due to pre-occupation

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

The provisions of the listing agreement to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI Regulations in respect of corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company has complied with the corporate governance code in accordance with Clause 49 (as applicable), particularly, in relation to appointment of independent Directors to our Board and constitution of the audit committee, the investor grievance committee and the remuneration committee. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 49 of the listing agreement to be entered into with the Stock Exchanges.



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.

Name of the Directors	Status
Mr. Kachardas R. Bedmutha	Executive Chairman
Mr. Vijay K. Vedmutha	Managing Director
Mr. Ajay K. Vedmutha	Joint Managing Director
Mr. A. Balasubramanian	Independent Director
Mr. Narayan Kadu	Independent Director
Mr. Shital Nahar	Independent Director

Audit Committee

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

i) Composition

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. A. Balasubramanian	Chairman	Independent Director
Mr. Narayan Kadu	Member	Independent Director
Mr. Shital Nahar	Member	Independent Director

Mr. Nilesh Amrutkar is the Company Secretary of the company, also acts as secretary to the Remuneration Committee.

ii) Terms of Reference

The composition, powers, role and terms of reference of the Committee is in consonance with the requirements mandated under Section 292A of the Companies Act, 1956 and Clause 49 of the listing Agreement(s). In addition to this function, the responsibilities of the Board also include but are not limited to the following functions:

- To oversee the financial reporting process and disclosures of financial information.
- To review quarterly/ half yearly and annual financial statements before submission to the Board with special emphasis on accounting policies, compliance of Accounting Standards and other legal requirements relating to financial statements.
- To review the findings of the internal investigation and periodic audit reports.
- To hold discussions with the external auditors about the scope of audit.
- To recommend appointment/removal of statutory auditors and fixing their remuneration.
- To review all issues which are required to be reviewed by the audit committee pursuant to the listing agreement with the stock exchanges and the Companies Act, 1956 with the management and the internal and external auditors.
- To review with the management the financial statements with reference to any related party transactions.
- To review with the management, the statement of uses / application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a issue, and making appropriate recommendations to the Board to take up steps in this matter
- To review the observations of internal and statutory auditors in relation to all areas of operation of the Company, including internal control systems.



- To examine all taxation matters, including related legal cases and the Company's asset/liability management strategy (ALCO).
- To review the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To review with the management the financial statements of the Subsidiary Companies.
- To ensure the independence and objectivity of the independent auditor.
- To ascertain the reasons for the defaults in the payment to the depositors, debenture holders, shareholders and creditors.

Any other terms of reference as may be included from time to time in Clause 49 of Listing Agreement

B. Remuneration Committee

i) Composition

Name	Title	Status
Mr. A. Balasubramanian	Chairman	Independent Director
Mr. Narayan Kadu	Member	Independent Director
Mr. Shital Nahar	Member	Independent Director

Mr. Nilesh Amrutkar is the Company Secretary of the company, also acts as secretary to the Remuneration Committee.

ii) Terms of Reference

The role of the committee includes, determining the Company's policy on specific remuneration packages for executive director(s) including pension, rights and any compensation payment and the remuneration package, including the periodic increments in salary of the executive director(s). The committee is also empowered to determine the annual commission /incentives of the executive director(s). The Committee is also empowered to recommend to the Board the appointment / reappointment of the executive / non-executive Directors, the induction of Board members into various Committees. The Committee also ensures that the overall remuneration payable to the Directors does not exceed the limits prescribed by the Companies Act, 1956 and is within the limits approved by the shareholders.

C. Shareholders / Investors Grievance Committee

i) Composition

Name	Title	Status
Mr. Shital Nahar	Chairman	Independent Director
Mr. Narayan Kadu	Member	Independent Director
Mr. Vijay K .Vedmuttha	Member	Managing Director

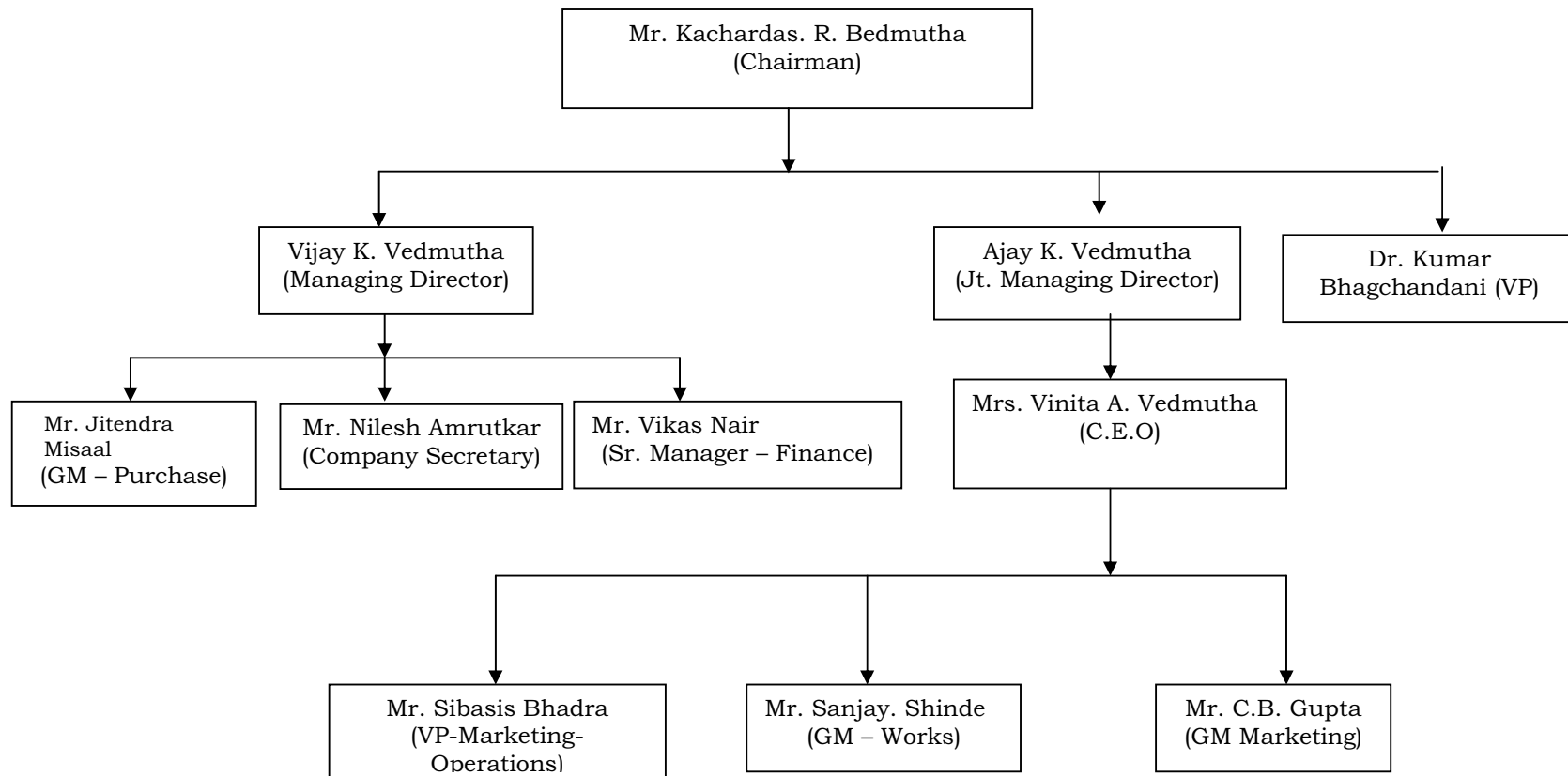
Mr. Nilesh Amrutkar the Company Secretary of the company, also acts as secretary to the Shareholders / Investors Grievance Committee

i) Terms of Reference

The Shareholders'/Investors' Grievances Committee was constituted in order to redress the complaints of the shareholders and investors, related to transfer and transmission of shares, non-receipt of annual reports, dividends and other share related matters. The Committee also notes the requests to the Registrar and Share Transfer Agent made by the shareholders relating to transfer, transmission, consolidation, and replacement of share certificates, issue of duplicate certificates and dematerialization of share certificates. The Committee also reviews the certificates and reports submitted to the Stock Exchanges under the Listing Agreement/ ICDR Regulations. The Committee also observes the quarterly status of the number of shares in physical as well as dematerialized form. The Committee also reviews the periodicity and effectiveness of the share transfer process, statutory certifications, depository related issues and activities of the Registrar and Share Transfer Agent.



ORGANISATION CHART





KEY MANAGEMENT PERSONNEL

The details regarding our key managerial personnel are as follows:

1. **Mrs. Vinita A. Vedmutha**, aged 40 years, is the Chief Executive Officer of our Company. She has completed her Bachelor in Engineering in Computer from Pune University. Prior to joining our Company, she was employed with M/s Index Software as a Programmer in June 1990 for six months and was responsible for programming. She has around 18 years of experience in wire industry. She joined our Company on April 01, 1999 and responsible for finalization of annual budget, monitoring of operational cost and control on all aspect of manufacturing activities of our Company. Her compensation is Rs.9.00 lacs per annum
2. **Dr. Kumar Bhagchandani**, aged 59 years, is the Vice President (Corporate Affairs) of our Company. He has completed his Doctorate in HRD from World University, USA and Management Development Programme from Asian Institute of Management, Philippines. Prior to joining our Company, he was employed with M/s Shanti Electrical Instrument as a Corporate Manager and was responsible for reviving its operation after 4 years lockout. He was awarded for intellectual development 2007 from Intellectual Peoples and Economic Growth Association, New Delhi. He has around 30 years of industrial experience in the field of production planning, market development, project finance and integrated project management, human resource development and general administration. He joined our Company on February 01, 2010 and responsible for new project development and corporate affairs of the company such as merger and private placement. His compensation is Rs. 5.10 lacs per annum
3. **Mr. Sibasis Bhadra**, aged 48 years, is the Vice President (Marketing) of our Company. He has completed his Bachelors Engineering in Mechanical from Calcutta University and done his Diploma in Business Management from Pune University. Prior to joining our Company, he was employed with M/s Usha Martin Limited, Mumbai as a Senior Manager from November 2006 to May, 2008 and was responsible for sales and marketing of Long Product, Bright Bar and Alloy Steel. He has around 25 years of experience in wire industry. He joined our Company on June 06, 2008 and presently in charge of operations and marketing of our Company. His responsibilities in our Company include product development, business development in various segments of the market, formation of sales and marketing strategy. His compensation is Rs.5.40 lacs per annum
4. **Mr. Sanjay Murlidhar Shinde**, aged 34 years, is the Deputy General Manager (Production) of our Company. He completed his Bachelor of Engineering in mechanical from Pune University. Prior to joining our Company, he was employed with M/s M.R. Cubit Eng Pvt Ltd as a Material preparation Engineer, from 1996 to 1999 and was responsible for Material Preparation. He has around 13 years of experience in production management, purchase, marketing and maintenance management. He joined our Company on December, 1999. His responsibilities in our Company include planning, execution of new projects, layout finalisation and production management. His compensation is Rs. 4.80 lacs per annum
5. **Mr. Jitendra Misal**, aged 40 years, is the General Manager (Materials) of our Company. He completed his Diploma in Material Engineering from Lathur, Diploma in Material Management and Diploma Business Management from Pune University. Prior to joining our Company, he was employed with M/s Wonderpack Industries Pvt Ltd as a Vice President from March 2006 to June 2008 and was responsible for corporate supply chain, production/manufacturing, customer support & corporate systems. He has around 18 years of experience in materials, supply chain, operations, corporate systems & vendor development departments. He joined our Company February 13, 2009. His responsibilities include corporate procurement, project purchases, budgeting, Inventory management, Waste Management and Disposal/Material planning etc. His compensation is Rs. 3.60 lacs per annum



6. **Mr. Vikas Nair**, aged 28 years, is the Sr. Manager Finance of our Company. He is graduate in Commerce. Prior to joining our Company, he was employed with M/s Patil Hiran Jajoo & Co. Chartered Accountant as a Audit Assistant from July 2003 to June 2007. He has around 4 years of experience in the area of Accounts and Finance. He joined our Company on July 2007. His responsibilities include Accounts and Finance & MIS. His compensation is Rs.2.40 lacs per annum
7. **Mr. C.B. Gupta**, aged 61 years, is the Assistant General Manager (Commercial & Marketing) of our Company. He completed his L.L.B from Lucknow University. Prior to joining our Company, he was employed with M/s. General Engineering Works, Delhi as a Deputy Managers-Sales _ and was responsible for Government Tendering Jobs. He has around 36 years of experience in wire industry dealt with government suppliers and well versed with the legal formalities. He joined our Company on September 01, 2002. He is actively involved in commercial aspects of procurement and managing order processing systems, production planning and distribution. His compensation is Rs. 3.96 lacs per annum
8. **Mr. Nilesh Amrutkar**, aged 25 years, is the Company Secretary of our Company. He has completed his Company Secretary from ICSI. Prior to joining our Company, he has done his apprenticeship with S. Anantha & Co. and was responsible for handling corporate law matters and secretarial matters. He joined our Company on September 11, 2009. He is responsible for secretarial and legal matters. His compensation is Rs.3.00 lacs per annum

Note: All the key managerial personnel mentioned above are the permanent employees of our Company and are not related to each other.

There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned key managerial personnel have been recruited.

The Key Management Personnel mentioned above are not related parties as per the Accounting Standard 18 except Mrs. Vinita A. Vedmutha who is the wife of our Joint Managing Director, Mr Ajay Vedmutha.

Shareholding of Key Managerial Personnel:

Except as specified below, none of our Key Managerial Personnel hold Equity Shares in our Company.

Sr. No	Name of Key Managerial Person	Number of equity shares
1	Mrs. Vinita A. Vedmutha	11,05,148
2.	Mr. Vikas Nair	200
Total		11,05,348

Bonus or Profit Sharing Plan for the Key Managerial Personnel:

There is no bonus or profit sharing plan for our Key Managerial Personnel .

Interest of Key Managerial Personnel

The key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in the Company, if any.

None of our Key Managerial Personnel have been paid any consideration of any nature from the Company, other than their remuneration.

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

Name of the Key Managerial Person	Date of Joining	Date of Leaving	Reason for change
Mr. Vikas Nair	April 01, 2008	-	Appointment
Mr. Sibasis Bhadra	June 06, 2008	-	Appointment
Mr. Nilesh Amrutkar	September 11, 2009	-	Appointment
Mr. Jitendra Misal	February 13, 2009	-	Appointment
Dr. Kumar Bhagchandani	February 01, 2010	-	Appointment

Other than the above changes, there have been no changes to the Key Managerial Personnel of the Company that are not in the normal course of employment in the last three years.

Payment of Benefit to Officers of the Company (Non- Salary Related)

Except for the payment of salaries & yearly bonus we do not provide any other benefits it to our employees.

ESOP/ESPS Scheme to Employer

Presently we do not have ESOP/ESPS Scheme for employees.

Employees

The total numbers of permanent employees as of July 15, 2010 in the Company are 220.



Promoters and their Background

1. Mr. Kachardas Ratanchand Bedmutha
2. Mr. Vijay Kachardas Vedmutha
3. Mr. Ajay Kachardas Vedmutha
4. Mrs. Usha Vijay Vedmutha
5. Bedmutha Sons Realty Ventures Private Limited

Individual Promoters**Mr. Kachardas Ratanchand Bedmutha**

Identification	Details
PAN	ABRPB9412D
Passport Number	H6878410
Driving Licence Number	-
Voter's Identification no	MT/12/S7/648418

Mr. Kachardas Bedmutha, aged 72 years is Engineer by qualification. He is a founder of Bedmutha Industries Limited (BIL). Under his able leadership the Bedmutha Group has grown from single product to multiproduct group. Mr. K.R. Bedmutha has worked with leading companies such as Birla Group, Heavy Engineering Corporation and Indian Tools, etc before venturing in the industry. He is the member of Institution of Engineers (India), Indian Institute of Industrial Engineers, and Institute of Works Managers (London), Board of National Safety Council and Industrial Safety and Health association. Mr. Bedmutha promoted Bedmutha Industries Limited in 1990 along with his sons. K.R. Bedmutha is Executive Chairman of the company and represents the promoter group.

**Mr. Vijay Kachardas Vedmutha**

Identification	Details
PAN	AAKPV0260B
Passport Number	E3193640
Driving Licence Number	10044197
Voter's Identification no	NNX2442838

Mr. Vijay K. Vedmutha, aged 45 years elder son of Mr. K.R. Bedmutha is Industrial & Production Engineer by qualification. He has done MBA with specialization in Finance. He is a member of 'Institution of Engineers India', 'Associate Member of Institute of Valuers (India)', 'Institute of Surveyors & Loss Assessors', 'Associate Member of the Society of Non-destructive Tester Institute' and 'Indian Institute of Plant Engineer'. Mr. Vijay Vedmutha is a Managing Director of the company and represents the promoter group. He joined the company since inception and looks after overseas Marketing and Finance operations of the company.

**Mr. Ajay Kachardas Vedmutha**

Identification	Details
PAN	ACNPV6589N
Passport Number	F1438928
Driving Licence Number	270188
Voter's Identification no	MT/07/052/0372605

Mr. Ajay K. Vedmutha aged 43, years younger son of Mr. K.R. Bedmutha is a Mechanical Engineer by qualification. He is member of 'Institution of Engineers of India', 'Deccan Sugar Technologies & Association'. 'Member of the 'National Safety Council' and 'Institute of Energy Engineers'. Mr. Ajay Vedmutha is Joint Managing Director of the company and represents the promoter group. He joined the company since inception and has been on the board since then. He is responsible for Production, Planning and Control operations of the company.

**Mrs. Usha Vijay Vedmutha**

Identification	Details
PAN	AAIPV5899C
Passport Number	G8455803
Driving Licence Number	-
Voter's Identification no	-

Mrs. Usha V. Vedmutha, aged 46 years, is the promoter of the Company. She has completed her Bachelor of Engineering (Mechanical) from Marathwada University. She has around 18 years of experience in Wire Industry.

For a brief profile of our Promoter, refer to "Our Management" on page no. 115 of this Red Herring Prospectus.

Corporate Promoter**Bedmutha Sons Realty Ventures Private Limited**

Constitution	Private Limited Company
Date of Incorporation	February 03, 2007
CIN No.	U45200MH2007PTC167533
Registered office	D-11,MIDC, Satpur, Nashik
Nature of Business	Developers, Builders, Contractors, Designers, Architects, Decorators etc.

There has been no change in control or management of Bedmutha Sons Realty Ventures Private Limited in the last three years.



Shareholding Pattern

The shareholding pattern of Bedmutha Sons Realty Ventures Private Limited is as follows:-

Shareholders	No. of Shares (F.V Rs 10)	Percentage
Kachardas R Bedmutha	1700	17.00
Kamalabai Bedmutha	1700	17.00
Vijay K Vedmutha	1650	16.50
Ajay K Vedmutha	1650	16.50
Usha Vedmutha	1650	16.50
Vinita Vedmutha	1650	16.50
Total	10,000	100.00

Board of Directors

Name of the Directors	Designation
Mr. K.R. Bedmutha	Director
Mr. Ajay K. Vedmutha	Director
Mr. Vijay K. Vedmutha	Director

Financial Performance

The audited financials for the last three years are set forth below:

Particulars	(Rs in Lacs)		
	F.Y. 2009	F.Y. 2008	F.Y. 2007
Equity Capital	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserves)	14.16	-	-
Sales/Turnover	118.30	-	-
Profit/(Loss) after tax	14.37	(0.12)	(0.09)
Earnings per share (in Rs)	143.71	-	-
Net Asset Value per share (in Rs)	151.63	-	-

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.



Declaration

We confirm that the Permanent Account Numbers, Bank Account Numbers, Passport Number of our promoters and Company Registration Number and address of the RoC where the Promoter Company is registered have been submitted to the BSE and NSE at the time of filing the Draft Red Herring Prospectus with them.

Further our Promoters have not been identified as wilful defaulter by RBI or any other Government authority and there are no violations of Securities Law committed by Promoters in past or pending against them. None of the Promoters has been prohibited from accessing the capital markets and no order or direction has been passed by SEBI or have any other authority or refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Relationship of Promoters with each other

Mr. Vijay Vedmutha and Mr. Ajay Vedmutha are sons of Mr. K. R. Bedmutha and Mrs. Usha Vedmutha is wife of Mr. Vijay Vedmutha.

Interest of our Promoters

Our Promoters are interested in the promotion of our Company and are also interested to the extent of their shareholding, for which they are entitled to receive the dividend declared, if any, by our Company. Further, our Promoters, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or committees constituted thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the Articles.

They are interested in the transactions entered into by our Company and the ventures where they are interested as a Promoter, Director or otherwise. Mr. K. R. Bedmutha (Executive Chairman) and Mr. Ajay K.Vedmutha (Joint Managing Director) are deemed to be interested to the extent of Rs. 200.00 lacs and Rs. 152.80 lacs respectively paid as advance for acquisition of land.

The Company has entered into a land purchase agreement on March 16, 2010 with Mr. K.R. Bedmutha and Mr. Ajay Bedmutha (Collectively referred to as the "Sellers") for purchase of land situated at Gut no. 270 (274)/8/1, Sinnar, Nasik, Maharashtra admeasuring 12 acres. In the agreement the Company has agreed to pay Rs. 6,00,00,000/- (Rupees Six Crore only) as consideration to the sellers. The land purchase agreement refers to a Memorandum of Understanding dated November 6, 2008 entered between the parties wherein it was inter-alia agreed that Rs. 3,00,00,000/- shall be paid by the Company before executing the land purchase agreement. The balance amount of Rs. 3,00,00,000/- is to be paid by the Company on registration of the land purchase agreement.

Sellers have declared and confirmed that such land do not have any kind of charge or encumbrances and is neither acquired or required by any judicial, quasi judicial , government or semi-government authorities, further the sellers have agreed to indemnify the company against any loss arising out of the charges or encumbrances if any surfaced later on.

Company has agreed to bear the expenses relating to registration and stamping of all the document executed for purchasing of the land.

It was agreed that terms and conditions of the said MOU and land purchase agreement will be binding on all successors and assignees of the both parties.



Except as stated herein above and as stated in “Risk Factors” , “Related Party Transactions” appearing on page nos. xii, 191 of the Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus as well as the date of Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated in this section and in the chapters titled “Risk Factors”, “Objects of the Issue ” and “Our Management” beginning on pages xii, 54 and 115 respectively, and section titled “Financial Statements” beginning on page 144 of the Red Herring Prospectus, our Promoters do not have any interest in any property acquired by our Company within two years of the date of the Draft Red Herring Prospectus as well as the date of Red Herring Prospectus.

Payment of Benefit to our Promoters

No payment has been made or benefit given to our Promoters in the two years preceding the date of the Red Herring Prospectus or is intended to be given by us except as mentioned at “Related Party Transactions, Annexure XVI –A Under Chapter titled “Auditors’ Report and Financial Information” on Page 144 of this Red Herring Prospectus.

Common Pursuits

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us except as mentioned in the section “Group Entities” commencing on page No 135.

In addition to the persons named above, the following natural persons, due to their relationship with our promoters, are part of our Promoter Group in terms of Regulation2(1)(zb) of SEBI, ICDR Regulations, 2009.

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

Promoter	Name of the Relative	Relationship
Mr. Kachardas Ratanchand Bedmutha	Mrs. Kamlabai Kachardas Bedmutha	Wife
	Mr. Nayansukh Ratanchand Bedmutha	Brother
	Mrs. Suabai Kantilal Lodha	Sister
	Mr. Vijay Kachardas Vedmutha	Son
	Mr. Ajay Kachardas Vedmutha	Son
	Mrs. Surekha Sunil Punmiya	Daughter
	Mrs. Sangeeta Snehal Kothari	Daughter
	Mr. Ashok Chandmal Sakhala	Brother in Law
	Mrs. Shantabai Kisanlal Kankriya	Sister in Law
	Mrs. Kantabai Chandulal Bothra	Sister in Law
	Mrs. Basantabai Uttamchand Bothra	Sister in Law
	Mrs. Vimlabai Surykant Runwal.	Sister in Law
	Mrs. Sarlabai Kantilal Runwal.	Sister in Law
	Mrs. Chanchalbai Subhashchand	Sister in Law
	Mrs. Ratanbai Dilipchand Bhatewara	Sister in Law
Mr. Vijay Kachardas Vedmutha	Mrs. Usha Vijay Vedmutha	Wife
	Mr. Kachardas Ratanchand Bedmutha	Father
	Mrs. Kamlabai Kachardas Bedmutha	Mother
	Mr. Ajay Kachardas Vedmutha	Brother
	Mrs. Surekha Sunil Punmiya	Sister
	Mrs. Sangeeta Snehal Kothari	Sister



	Master Yash Vijay Vedmutha	Son
	Miss Sneha Vijay Vedmutha	Daughter
	Mr. Devandra Madanlal Desarda	Brother in Law
	Mrs. Asha Rasik Shetiya	Sister in Law
	Mrs. Nisha Anil Jain	Sister in Law
	Mrs. Rashmi Anand Punmiya	Sister in Law
	Mrs. Sushila Madanlal Desarda	Mother in Law
	Mr. Madanlal Uttamchand Desarda	Father in Law
Mr. Ajay Kachardas Vedmutha	Mrs. Vinita Ajay Vedmutha	Wife
	Mr. Kachardas Ratanchand Bedmutha	Father
	Mrs. Kamlabai Kachardas Bedmutha	Mother
	Mr. Vijay Kachardas Vedmutha	Brother
	Mrs. Surekha Sunil Punmiya	Sister
	Mrs. Sangeeta Snehal Kothari	Sister
	Miss Divya Ajay Vedmutha	Daughter
	Miss Lavina Ajay Vedmutha	Daughter
	Mr. Bharat Vasantlal Lodha	Brother in Law
	Mr. Hemant Vasantlal Lodha	Brother in Law
	Mrs. Vaishali Shital Nahar	Sister in Law
	Mr. Vasantlal Motilal Lodha	Father in Law
	Mrs. Chandrakalabai Vasantlal Lodha	Mother in Law
Mrs. Usha Vijay Vedmutha	Mr. Vijay Kachardas Vedmutha	Husband
	Mr. Madanlal Uttamchand Desarda	Father
	Mrs. Sushila Madanlal Desarda	Mother
	Mr. Devandra Madanlal Desarda	Brother
	Mrs. Asha Rasik Shetiya	Sister
	Mrs. Nisha Anil Jain	Sister
	Mrs. Rashmi Anand Punmiya	Sister
	Master Yash Vijay Vedmutha	Son
	Miss Sneha Vijay Vedmutha	Daughter
	Mr. Ajay Kachardas Vedmutha	Brother in Law
	Mrs. Surekha Sunil Punmiya	Sister in Law
	Mrs. Sangeeta Snehal Kothari	Sister in Law
	Mrs. Kamlabai Kachardas Bedmutha	Mother in Law
	Mr. Kachardas Ratanchand Bedmutha	Father in Law

GROUP ENTITIES/PARTNERSHIP/PROPRIETORS/ASSOCIATES

a. K.R. BEDMUTHA TECHNO ASSOCIATES PRIVATE LIMITED (KRBTAPL)

Date of Incorporation	April 17, 2008.
CIN	U74140MH2008PTC181283
Registered Office	D-11, MIDC Area, Satpur, Nashik- 422007.
Nature of Business	The company is engaged into business of consultantancy, advisory services.

**Shareholding pattern as on March 31, 2010 is as under:**

Sr. No.	Name of the Shareholders	No. of Shares	% of Shareholding
1.	Usha V. Vedmutha	5000	50.00
2.	Vinita A. Vedmutha	5000	50.00
	Total	10,000	100.00

Board of Directors are as under:

Mrs. Usha V. Vedmutha
Mrs. Vinita A. Vedmutha

Financial Information

(Rs in Lacs)

Particulars	For the year ended March 31, 2009
Equity Capital	1.00
Reserves & Surplus (excluding revaluation reserves)	31.00
Sales/Turnover	265.37
Profit/(Loss) after tax	31.00
Net Worth	32.00
Earnings per share (in Rs)	310.00
Net Asset Value per share (in Rs)	320.00

Other Details:

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

b. ASHOKA PRE CON PRIVATE LIMITED

Date of Incorporation	October 24, 2008
CIN	U26940MH2008PTC187764
Registered Office	Ashoka House, Ashoka Marg, Vadala, Nasik
Nature of Business	The company is engaged in the business of manufacturing of concrete poles used for the Electricity Distribution lines, constructions of Bridges and other electrical infrastructure projects.

Board of Directors are as under:

Mr. Sanjay Prabhakar Londhe
Mr. Ajay K. Bedmutha
Mr. K. R. Bedmutha
Mr. Satish D. Parakh
Mr. Ashish Ashok Katariya

**Shareholding pattern as on March 31, 2010 is as under:**

Sr. No.	Name of the Shareholders	No. of Shares	% of Shareholding
1.	Ashoka Buildcon Ltd	3,70,275	51.00
2.	Bedmutha Industries Ltd	3,55,756	49.00
3.	Beton Concrete Pvt. Ltd.	1	00.00
	Total	7,26,032	100.00

Financial Information**(Rs. in Lacs)**

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
Equity Share Capital	72.60	1.00
Share Application Money	0.00	175.70
Reserves & Surplus (excluding revaluation reserves)	214.81	0.00
Total Income	323.07	0.00
Profit/(Loss) after tax	(67.35)	0.00
Net Worth	220.06	174.89
Earnings per share (in Rs)	(67.35)	0.00
Net Asset Value per share (in Rs)	30.31	17488.99

Other Details:

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

c. PRECRETE TECHNOLOGIES PRIVATE LIMITED

Date of Incorporation	October 14, 2008
CIN	U73200MH2008PTC187503
Registered Office	Ashoka House, Ashoka Marg, Vadala, Nasik
Nature of Business	The company is engaged in Manufacturing, processing, fabricating, producing, maintaining etc, in pre-fabricated cement, concrete products, & pre cast cement.

Board of Directors are as under:

Mr. Sanjay Prabhakar Londhe
Mr. Ajay K Bedmutha

Shareholding pattern as on March 31, 2010 are as under:

Names of Shareholders	No. of Shares	% of Shareholding
Rajendra Chindhulala Burad	5,100	51.00
Bedmutha Sons Realty Ventures Pvt. Ltd	4,900	49.00
Total	10,000	100.00

**Financial Information****(Rs. in Lacs)**

Particulars	For the year ended March 31, 2009
Equity Share Capital	1.00
Reserves & Surplus (excluding revaluation reserves)	0.00
Total Income	0.00
Profit/(Loss) after tax	(0.39)
Net Worth	1.00
Earnings per share (in Rs)	Negative
Net Asset Value per share (in Rs)	10.00

Other Details

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

d. KRBTA - UNISON CONSULTANCY PRIVATE LIMITED

Date of Incorporation	December 22, 2006
CIN	U74140MH2006PTC166457
Registered Office	Plot No. D-11, M.I.D.C, Satpur
Nature of Business	Business of consultancy in project management relating to infrastructure facilities.

Board of Directors are as under;

Mr. Vijay K. Vedmutha
Mr. Vikas K. Deshpande

Shareholding pattern as on March 31, 2010 is as under:

Names of Shareholders	No. of shares	%
K.R. Bedmutha Techno Associate Private Limited	5,100	51.00
Unison Project Management Pvt. Ltd.	4,900	49.00
Total	10,000	100.00



Financial Information

(Rs. In Lacs)

Particulars	For the year ended		
	31.3.2009	31.3. 2008	31.3. 2007
Equity Capital	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserves)	79.26	0.5	0.07
Sales/Turnover	32.43	11.79	-
Profit/(Loss) after tax	7.92	(20.40)	(51.91)
Net Worth	80.26	1.5	1.07
Earnings per share (in Rs)	79.2	-	-
Net Asset Value per share (in Rs)	802.6	15	10.7

Other Details

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

Partnership Firms

a. KREEPA STEEL INDUSTRIES

Date of Formation	June 01, 2002
Office & Factory	Plot No. D-8, Road No.-10, MIDC, Satpur, Nasik.
Nature of Business	Engaged in manufacturing, supply & servicing of energy saving blast, energy meter, inverter, distribution/ control panel, contract work for PCB assembly and electrical/ electronic products

Partners

Name of Partners	Profit Sharing
Mr. Kachardas R. Bedmutha	25%
Mr. Ajay K. Vedmutha	25%
Mr. Vijay K. Vedmutha	25%
Mr. Vivek V. Kenge	25%

Financial Information

(Rs in Lacs)

Particulars	For the year ended		
	31.3. 2009	31.3.2008	31.3.2007
Sales & other Income	67.14	340.49	329.01
Profit/(Loss) after tax	0.68	0.18	0.89
Partners' Capital Account	60.24	86.61	11.94

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



b. ELME PLAST COMPANY

Date of Formation	30.01.1990
Registered Office	D 11, MIDC, Satpur, Nashik.
Nature of Business	Engaged in manufacturing of plastic and polythene bags

Partners

Name of Partner	Profit Sharing
Mr. Kachardas R. Bedmutha	50%
Mrs. Usha V. Vedmutha	50%

Financial Information

(Rs in Lacs)

Particulars	For the Year Ended		
	31.3. 2009	31.3.2008	31.3.2007
Sales & other Income	8.81	48.69	129.32
Profit/(Loss) after tax	0.23	0.06	0.19
Partners' Capital Account	72.11	75.69	75.63

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

c. SPACE DEVELOPERS CORPORATION JOINT VENTURE

Date of Formation	March 23, 2007
Registered Office	Office No. 1, Krishna Ratna, New Pandit Colony, Nashik – 422 002.
Nature of Business	To carry on business of development of any real estate, construction of buildings.

Partners

Name of Partners	Profit Sharing
Mr. Sunil Sudhakar Kotwal	16.65%
Mr. Prakash Sahebrao Deshmukh	16.65%
Mrs. Asha Rasik Sethia	6.75%
Mr. Malay Prakash Deshmukh	6.75%
Mr. K.R. Bedmutha (In capacity as Director of Bedmutha Sons Realty Ventures Pvt. Ltd.)	13.30%
My. Sunil Ganpatrao Nekre	13.30%
Mr. Maharaj Krishna Birmani	26.60%

Financial Information

(Rs in Lacs)

Particulars	For the Year ended 31.3. 2009
Sales & other Income	0.00
Profit/(Loss) after tax	0.00
Partners' Capital Account	557.75

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

**Proprietary Concern****USHA CHEMICALS**

Date of Establishment	August 05, 1997
Proprietor	Mrs. Usha Vijay Vedmutha
Registered Office and Plant	Plot A 62, 63 STICE, Musalgaon, Sinnar
Nature of Business	Firm is in specialty chemical segment and manufactures chemicals such as Ferrous Sulphate, Zinc Sulphate and Copper Sulphate.

Financial Information**(Rs. in Lacs)**

Particulars	For the year ended		
	31.3. 2009	31.3.2008	31.3.2007
Capital	7.32	6.51	2.01
Add: Reserves & Surplus	6.87	6.87	6.87
Total Net Worth	14.19	13.38	8.88
Sales	256.59	87.46	41.45
Profit After Tax	(3.30)	0.63	0.35

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

COMMON PURSUITS

Our promoters and directors do not have any interest in any venture that is involved in any activities similar to those conducted by the Company or any member of the promoter group. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as on when they may arise.

For further details on the related party transactions, to the extent of which our Company is involved, please refer to section titled "Related Party Transactions" on page no. 191.

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

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

Related Party Transaction

Please refer to "Related Party Disclosures" under the chapter titled "Financial Information" on page 144 of this Red Herring Prospectus.

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

There are no sale or purchase transactions between our Company and Companies in the Group exceeding in value of 10% of the total sale or purchase of our Company except those transaction covered under "Related Party Disclosures" beginning on page 191 of this Red Herring Prospectus.

Change in Accounting Policies in the last three years

There has been no change in accounting policies in the last three years except as stated in the chapter titled



"Financial Information" beginning on page 144 of this Red Herring Prospectus.

CURRENCY OF PRESENTATION

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India.

Through out the Red Herring Prospectus, all figures have been expressed in lacs, unless otherwise stated. Unless the context otherwise requires all references to one gender also refers to another gender. The word "Lacs" or "Lacs", or "Lac" means "100 thousand". In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

**DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of the Company. The dividends declared by our company in the past financial years have been presented below:

Particulars	For the Year Ended				
	2006	2007	2008	2009	2010
Face Value of Equity Share (per share)	10	10	10	10	10
Final Dividend on Equity Shares (Rs.)	Nil	33,49,488	33,49,488	89,95,838	60,13,000
Dividend Rate for equity shares (%)	NA	10%	10%	10%	5% *
Equity Shares in Number	33,49,488	33,49,488	33,49,488	89,95,838	1,20,27,400
Share Capital Amount	3,34,94,880	3,34,94,880	3,34,94,880	8,99,58,380	12,02,74,000

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

* Proposed dividend for FY 2009-10@ 5%



PART II
SECTION IV - FINANCIAL STATEMENTS

AUDITORS REPORT

To,
The Board of Directors,
Bedmutha Industries Limited,
A - 32, Stice, Sinnar,
Dist. Nashik - 422 103.

Dear Sirs,

Bedmutha Industries Limited (Formerly Known as Bedmutha Wire Company Limited), ("the Company") proposed to make a public offering of its equity shares for cash. We have been requested by the Company to report on attached financial information, stamped and initialled by us for identification and prepared in accordance with the requirements of Paragraph B, Part II of Schedule II of the Companies Act, 1956 (the "Act"), the Securities and Exchange Board of India - (Issue of Capital & Disclosures Requirement) Regulation, 2009 (SEBI Regulation) and related clarifications issued thereof. The Financial information have been prepared by the Company and approved by the Board of Directors of the Company.

A) Financial Information as per Audited Financial Statement

1) We have examined the attached:

- a. Standalone Restated Statement of Assets and Liabilities of the Company for the years ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006,(Annexure I -A); Standalone Restated Statement of Profits and Losses for the years ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006;; (Annexure II-A) and Standalone Restated Cash Flow Statement for the years ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006, (Annexure III - A), together referred to as 'Standalone Statements'.
- b. Consolidated Restated Statement of Assets and Liabilities of the Company for the years ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 (Annexure I - B); Consolidated Restated Statement of Profits and Losses for the years ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 ; (Annexure II-B) and Consolidated Restated Cash Flow Statement for the years ended March 31, 2010, March 31 2009, March 31 2008, March 31, 2007 and March 31, 2006 (Annexure III - B), together referred to as 'Consolidated Statements'.

2) We have considered the relevant financial statements in respect of company (Standalone and Consolidated as applicable) were audited by N.K. Muni & Co. Chartered Accountants for the Financial Years ended on, March 31,2006 & March 31, 2007 and the Financial Statements (Standalone and Consolidated as applicable) for the year ended March 31,2008, March 31, 2009 and March 31, 2010 audited by Patil Hiran Jajoo & Co. and for the year ended March 31, 2010 reaudited by us.; The accounts of the subsidiaries have been consolidated from the date from which the Company acquired ownership interest.

3) Based on our examination of the above statements and the related Audit Reports and on the basis of the information and explanations given to us, we report that:



- a) The aforesaid statements have been extracted from the audited financial statements as stated in 2 above as approved by Board of Directors and adopted by the shareholders in those respective years and have been restated with retrospective effect to reflect the significant accounting policies and significant notes adopted by the Company as on March 31, 2010, as stated vide Annexure IV-A and IV-B to this report;
- b) There are no incorrect accounting practices or failures to make provisions or other adjustments to restated accounts which resulted in audit qualifications for which adjustment or rectification required.
- c) Material amounts relating to adjustments for previous years have been identified and adjusted in arriving at the profits of the year to which they relate;
- d) There are no qualifications in the auditors' reports, which require any adjustment;
- e) The aforesaid statements have been restated to effect necessary changes for exceptional items, which have been disclosed separately in the statements in the years to which they relate.

Audit of the financial statements for the years ended March 31, 2010, 2009, 2008, have been conducted by Company's Statutory Auditor, M/s Patil Hiran Jajoo & Co. and for the years ended March 31, 2007 and 2006 have been conducted by Company's Statutory Auditors, M/s N. K. Muni & Co. Further, financials statements for the year ended March 31, 2010 have been reaudited by us as required under the SEBI (ICDR) Regulations 2009. This report, in so far as it relates to the amounts included for the financial years ended March 31, 2009, 2008, 2007 and 2006 is based on the audited financial statements of the Company which were audited by the Statutory Auditor, M/s Patil Hiran Jajoo & Co. and M/s N. K. Muni as applicable and whose Auditors' report has been relied upon by us for the said years.

We confirm that our firm A.S.Kothawade & Company has been subjected to Peer Review Process of Institute of Chartered Accountants of India (ICAI) and firm holds a valid certificate no.004050 dated 6th January, 2010 issued by "Peer Review Board" of ICAI.

B) Other Financial Information:

We have also examined the following financial information relating to the Company proposed to be included in the Offer Document, as approved by the Board of Directors and annexed to this report:

Sr. No.	Particulars	Annexures	
		Standalone	Consolidated
i.	Statement of Debtors	V - A	V - B
ii.	Details of Loans and Advances	VI - A	VI - B
iii.	Statement of Secured Loans	VII - A	VII - B
iv.	Statement of Unsecured Loans	VIII - A	VIII - B
v.	Statement of Operating Income	IX - A	IX - B
vi.	Statement of Other Income	X - A	X - B
vii.	Details of Contingent Liabilities	XI - A	XI - B
viii.	Financial Ratios	XII - A	XII - B
ix.	Capitalisation Statement	XIII - A	-
x.	Statement of Tax Shelters	XIV - A	-
xi.	Statement of Investments	XV - A	-
xii.	Transaction with the Related Parties	XVI - A and XVII - A	-
xiii.	Statement of Segment Reporting	XVIII - A	XIII - B
xiv.	Statement of Dividend	XIX - A	-



This Restated Financial Information is based on the Audited Financials which are approved by Board of Directors and Adopted by Members in these respective years.

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

For A.S.Kothawade & Co.
Chartered Accountants

Sd/-

Anil S. Kothawade
Proprietor
M. No.: 039083
FRN:105340W

Place: Nashik
Date : 27.07.2010



Annexure I - A
STANDALONE SUMMARY OF ASSETS & LIABILITIES AS RESTATED
(Rs. in Lacs)

Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
A. Fixed Assets					
Gross Fixed Assets	5328.58	3,986.58	3,136.69	1,278.98	1,087.12
Less : Accumulated Depreciation	1,986.13	1,607.06	1,377.43	713.19	628.64
Net Fixed Assets	3342.45	2,379.51	1,759.26	565.79	458.48
Less:- Revaluation reserves	28.39	37.89	47.39	-	-
Net Fixed Assets After Revaluation Reserves	3314.06	2,341.62	1,711.87	565.79	458.48
Capital Work in Progress	252.35	-	33.72	40.72	17.65
Total Fixed Assets	3566.41	2,341.62	1,745.59	606.50	476.13
B. Investments	211.19	19.26	16.58	10.77	2.46
C. Current Assets, Loans & Advances					
Sundry Debtors	3,369.35	2,165.74	1,755.31	1,152.69	1,102.14
Cash and Bank Balances	463.13	683.46	478.21	351.17	135.72
Other current assets	1,148.26	536.61	461.69	208.99	222.26
Loans and Advances	2,241.73	867.72	589.98	355.50	174.76
Inventories	4,124.81	1,611.97	1,918.68	1,199.12	1,215.44
Total (C)	11,347.28	5,865.49	5,203.86	3,267.47	2,850.33
D. Liabilities & Provisions					
Secured loans	7,149.54	3,815.54	3,646.57	2,390.09	1,685.61
Unsecured loans	1,057.33	918.87	806.09	470.07	469.61
Deferred Tax Liability (Net)	315.69	220.14	121.85	64.54	60.25
Current Liabilities	3,470.30	1,047.97	978.90	194.30	314.29
Provisions	507.82	381.68	115.46	25.02	53.50
Share Application Money Pending allotment	-	-	-	-	-
Total (D)	12,500.68	6,384.19	5,668.87	3,144.02	2,583.26
E. Net Assets (C-D)	(1,153.40)	(518.70)	(465.00)	123.45	267.07
F . Net Worth (A + B + E)	2624.20	1,842.17	1,297.17	740.73	745.66
Represented by					
Equity Share Capital	1,202.74	899.58	899.58	334.95	334.95
Reserve & Surplus	1663.66	1,044.31	455.69	411.51	423.02
Less : - Revaluation reserves	28.39	37.89	47.39	-	-
Total	2838.01	1,906.00	1,307.87	746.46	757.97
Less : - Miscellaneous Expenditure not w/off	213.80	63.82	10.70	5.73	12.31
G . Net Worth	2624.20	1,842.17	1,297.17	740.73	745.66



Note : The above statement should be read with the notes on adjustment and significant accounting policies for restated financial statements as representing in Annexure IV-A to the Report

1. The substantial increase in Fixed Asset in FY 2007-08 over FY 2006-07 was on account of amalgamation of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited with Bedmutha Industries Limited with Effect from 1st April 2007.
2. The substantial increase in Current Liabilities in FY 2007-08 over FY 2006-07 was due to amalgamation of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited with Bedmutha Industries Limited with effect from 1st April 2007. Increase in current liabilities from FY 2008-09 to FY 2009-10 was on account of increase in Creditors for Raw material from Rs. 669.90 Lacs in FY 2008-09 to Rs. 2845.60 Lacs as on 31st March 2010 due to higher volume of raw material purchases.
3. The substantial increase in provision in FY 2007-08 over FY 2006-07 was due to increase in provision for taxes (Income tax, FBT, Dividend tax) Rs. 81.96 Lacs against Rs. 25 Lacs for previous year and provision for dividend Rs. 33.49 Lacs against nil in previous year.



Annexure – II- A
STANDALONE SUMMARY OF PROFIT & LOSS AS RESTATED

(Rs. in Lacs)

Particulars	For the year Ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Income					
Sales & Operating Incomes					
- Manufactured Goods	13,855.53	13,097.59	7914.76	5964.23	4495.80
- Traded Goods	1,094.84	1,581.34	3,539.48	1,287.33	471.15
Export Sales	-	-	-	-	
Other Income	31.10	6.46	71.80	0.59	9.31
Increase/(Decrease) in Inventory	1,202.11	480.72	(23.14)	(134.16)	316.22
Total Income	16,183.58	15,166.11	11,502.91	7,117.99	5,292.48
Expenditure					
Raw Material Consumed	10,615.65	9,782.55	5,249.04	4,173.40	3,393.11
Cost of Traded Goods	1,026.74	1,466.65	3,440.13	1,240.40	469.51
Manufacturing Expenses	1,219.12	1,133.07	977.31	684.51	657.58
Payment & Provision for Employees	366.72	197.74	287.50	159.26	154.68
Administrative and Other Expenses	108.10	96.38	157.08	110.06	84.56
Miscellaneous Expenditure W/off	45.00	17.94	2.91	6.57	6.31
Selling and Distribution Expenses	308.77	276.49	254.72	376.01	167.21
Finance Cost	668.97	427.70	437.51	247.49	153.03
Loss on Sale of Investment / Asset	-	10.84	-	-	-
Depreciation & Amortisation	369.56	264.44	216.25	84.55	79.40
Forex (Gain) / Loss	(71.35)	415.27	(2.66)	(23.51)	(4.27)
Total Expenditure	14,657.28	14,089.08	11,019.80	7,058.73	5,161.11
Profit for the Period	1,526.30	1,077.03	483.11	59.26	131.36
(Add) / Less : Prior Period Items	-	-	0.20	0.23	101.87
Profit Before Tax	1,526.30	1,077.03	482.90	59.03	29.49
(Add) / Less : Provision for Tax					
Provision For Income Tax	435.00	271.56	51.54	24.65	26.00
Fringe Benefit Tax	(0.47)	4.26	6.00	3.30	4.50
Wealth Tax	-	-	-	-	-
Deferred Tax Liability	95.55	98.29	64.42	4.29	(24.62)
Profit After Tax	996.22	702.93	360.94	26.78	23.61
Balance brought forward from previous year	977.25	379.12	148.60	160.11	136.50
Net Profit Available for Appropriation	1973.47	1,082.05	509.54	186.89	160.11
(Add) / Less : Appropriation					
Proposed Dividend on Equity Shares	60.14	89.96	33.44	33.48	-
Tax on Dividend	10.67	14.84	5.69	4.81	-



Transfer to General Reserves		-	-	-	-
Capitalized during the year for Bonus Shares	300.69	-	92.04	-	-
Addition on Amalgamation		-	(0.75)	-	-
Balance carried forward as restated	1601.97	977.25	379.12	148.60	160.11

Note : 1.The above statement should be read with the notes on adjustment and significant accounting policies for restated financial statements as representing in Annexure IV-A to the Report



Annexure - III- A
STANDALONE SUMMARY OF CASH FLOW AS RESTATED
(Rs. in Lacs)

Particulars	As at				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit Before Tax and Extra Ordinary items	1,526.30	1,087.88	482.90	59.03	29.49
Adjustment For					
Add: Depreciation	369.56	264.44	216.25	84.55	79.40
Preliminary Expenses written off	-	-	-	-	-
Prior Period Expense				-	-
Pre paid Expenses			-	-	-
Pre-operative Expenses written off	-	-	-	-	-
Miscellaneous Expenses written off	45.00	17.94	2.92	6.57	6.31
Interest (net)	668.97	427.70	437.51	247.49	153.03
Operating Profit Before Working Capital Changes	2,609.83	1,797.96	1,139.59	397.64	268.23
Adjustment for working capital changes					
Income Tax (Paid) / Refund	5.35	-	-	-	-
TDS Paid	(273.10)	(72.76)	(39.59)	(16.99)	(15.12)
TDS Paid Prev Year	(201.19)	(18.55)	(6.53)	(21.58)	(1.87)
(Increase) / Decrease in Trade & Other Receivables	(1,203.61)	(410.43)	(515.23)	(50.55)	(255.03)
(Increase) / Decrease in Advance to Suppliers / Creditors	-	-	-	-	-
(Increase) / Decrease in Other Current Assets	(416.68)	(58.63)	(91.19)	(4.59)	(57.61)
(Increase)/Decrease in Misc Exp Assets	(194.98)	(71.06)	(7.89)	-	
Increase / (Decrease) in Trade Payable	2,369.30	27.80	534.07	(135.37)	(69.96)
Increase/(Decrease) from Customers	-	-	-	-	-
Increase/(Decrease) in Outstanding Expenses	53.03	41.27	103.31	15.38	11.72
(Increase) / Decrease in Loans and Advances	(1,374.02)	(277.74)	(186.52)	(180.73)	(102.11)
(Increase) / Decrease in Inventories	(2,512.84)	306.71	(389.01)	16.32	(672.52)
Working capital changes	(3,748.72)	(533.39)	(598.58)	(378.11)	(1,162.50)
Adjustment for Extra Ordinary Transactions					
Loss on Sale Of Investment	-	(10.84)	-	-	-
Net Cash used / generated for / from	(1,138.89)	1,253.73	541.01	19.53	(894.27)



Particulars		As at				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Operations						
B	CASH FLOW FROM INVESTING ACTIVITIES					
	Purchase of Fixed Assets / Capital Work In Progress	(1,609.35)	(954.61)	(957.22)	(214.93)	(42.62)
	Investments made	(194.88)	(13.51)	20.73	(8.31)	(1.00)
	Sale/Discarding of Fixed Assets	2.95	104.73	-	-	-
Net Cash used in Investing Activities		(1,801.28)	(863.39)	(936.49)	(223.24)	(43.62)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	Increase/ (Decrease)Proceeds from Long Term Borrowings	687.29	129.88	316.80	26.35	202.63
	Proceeds form Short Term Borrowings	2,646.71	39.08	413.13	678.14	881.10
	Increase/ (Decrease)Proceeds form Unsecured Borrowings	138.46	112.78	125.15	0.46	19.45
	Interest Paid	(668.97)	(427.70)	(437.51)	(247.49)	(153.03)
	Proceed from Issue of Equity Shares	2.47	-			-
	Dividend Paid + Taxes	(105.25)	(39.13)		(38.29)	
	Share Premium received on Issue of Equity Shares	4.12	-		-	-
	Share Application money received pending allotment	-				
	Increase/ (Decrease) Revaluation Reserve	-	-	-		
	Capital Incentive	15.00	-	20.00	-	-
Net Cash generated from other sources		2,719.84	(185.09)	437.57	419.17	950.15
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)		(220.32)	205.25	42.09	215.46	12.26
Cash & Cash Equivalents - Opening Balance		683.46	478.21	436.12	135.72	123.46
Cash & Cash Equivalents - Closing Balance		463.13	683.46	478.21	351.17	135.72
Summary		31/03/2010	31/03/2009	31/03/2008	31/03/2007	31/03/2006
A)	CASH FLOW FROM OPERATING ACTIVITIES	(1,138.89)	1,253.73	541.01	19.53	(894.27)
B)	CASH FLOW FROM INVESTING ACTIVITIES	(1,801.28)	(863.39)	(936.49)	(223.24)	(43.62)
C)	CASH FLOW FROM FINANCING ACTIVITIES	2,719.84	(185.09)	437.57	419.17	950.15
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)		(220.32)	205.25	42.09	215.46	12.26

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3 on Cash Flow Statements as issued by the ICAI.



Annexure IV- A

NOTES ON ADJUSTMENTS AND SIGNIFICANT ACCOUNTING POLICIES FOR RESTATED FINANCIAL STATEMENTS

Significant Accounting Policies

a) Basis of Preparation of financial statements

- (I) The financial statements of the company have been prepared under the historical cost convention on an accrual basis, applicable Accounting Standards and relevant provisions of the Companies Act, 1956.
- (II) Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company

b) Fixed Assets & Depreciation / Amortisation

- I. Fixed assets (including Capital Work In Progress) are stated at historical cost including any attributable cost including taxes & other duties, freight, installation & other direct or allocable expenses and related borrowing cost on qualifying assets for bringing the respective asset to its working condition for its intended use but net of cenvat credit wherever applicable.
- II. Depreciation is provided as per the straight-line method at the rates provided in schedule XIV of the Companies Act, 1956. Depreciation on addition to fixed asset or on sale/ discardment is calculated on pro-rata basis from date of such addition or upto the date of sale/ discardment as the case may be. However, cost of Leasehold land is not amortised and is shown at cost.
- III. The charge over and above the depreciation calculated on original cost of the revalued assets is transferred from Revaluation Reserve to Depreciation Account (Profit & Loss Account).
- IV. In case of new project & in case of substantial modernization/ expansion at existing units of the company, all pre-operative expenditure specifically for the project, incurred upto the date of completion is capitalized and added pro-rata to the cost of fixed assets.
- V. Goodwill is amortised at 10% on Straight Line method.
- VI. Pursuant to accounting standard 28 " Impairment of Assets" issued by the ICAI, The Company has a system to review the carrying cost of all the assets vis-à-vis recoverable value and impairment loss, if any is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of recoverable amount.

c) Investments

- (I) Long term Investments are stated at cost of acquisition. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management. The cost of investment includes brokerage etc.



d) Foreign Currency Transactions:

- I. All foreign Currency Transactions are initially recognized at the exchange rates on the date of transactions.
- II. Exchange difference arising on the settlement of monetary items was recognized as income/ expenses.
- III. Monetary items and contingent liabilities as on the date of Balance Sheet are stated at the closing rate.

(e) Inventories

- (I) Inventories of Raw Materials, Work In Progress, Finished Goods (including Goods for Trade) are valued at cost or net realizable values whichever is lower, except Scrap, which is valued at estimated realizable value as assessed by Management.
- (II) Major Consumables (Stores & Spares) like LDO, lead, dies, etc. are valued at cost and Other Minor Consumables (Stores & Spares) are written off in the year of purchase.
- (III) In determining the cost of raw material, stores, spares and other materials, cost is ascertained on FIFO method. Inventory of Finished products includes material cost, labour and factory overheads and excise duty.

(f) Employee Retirement Benefits

- (I) The Company's contribution in respect of Provident Fund is charged to Profit & Loss Account every year.
- (II) Provision of gratuity as on the balance sheet date is accounted on Actuarial basis by an independent actuary and Company's contribution to the Group Gratuity Scheme of Life Insurance Corporation of India are charged against the revenue every year.
- (III) Liability for leave outstanding as on the balance sheet date and other benefits are accounted on payment basis.

(g) Liquidated Damages

Liquidated damages / Penalties, if any are provided whenever there is a claim from party and when the same is accepted by the company.

(h) Taxation

- (I) Income tax expenses comprise of current tax, FBT & deferred tax charges or credit.
- (II) Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax. The net effect has been added under the head Provision for Tax.



- (III) Provision for FBT is made on the basis of the fringe benefits provided or deemed to have been provided during the year at the rates and values applicable to the relevant assessment years. Excess / Short Provision is adjusted in subsequent years.

(i) Preliminary Expenses

Preliminary expenses are written off over a period of five years.

(j) Pre-operative Expenditure

Pre-operative expenditure incurred prior to commencement of business operations of any division is written off over a period of five years.

(k) Deferred Revenue Expenditure

- (I) Major Repairs and Maintenance to Plant & Machinery is written-off to the profit and loss account over a period of Five years.
- (II) ROC expenses for raising in Authorised Capital

(l) Accounting for taxes on Income (AS 22)

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The same is accounted for, using the tax rates as on balance sheet date. Deferred Tax Assets are recognized only when there is virtual certainty of their realization.

(m) Insurance Claim

Insurance and other claims to the extent considered recoverable are accounted for in the year of claim based on the amount assessed by the surveyor. However, claims and refund whose recovery cannot be ascertained with reasonable certainty, are accounted for on acceptance/actual receipts basis.

(n) Earning per Share

- (I) Basic Earning per Equity Share is calculated by using weighted average number of Equity Shares outstanding during the period.
- (II) Diluted Earning Per Share is calculated by using weighted average number of Equity Shares.
- (III) In case of any fresh allotment or any other corporate action during the year affecting number of outstanding shares, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of Bonus issue, the issue is treated as outstanding since the beginning of the year.

(o) Revenue recognition

- (I) Revenue on sales of goods is recognized on transfer of significant risk & rewards of ownership which is generally on dispatch of goods. Gross sales are stated inclusive of excise duty, service tax, value added tax, but net of returns and trade discounts.



- (II) Income from Services is recognized on completion of services or part completion of assignment as per Contract
- (III) All expenses are accounted for on accrual basis unless otherwise specified.
- (IV) Dividend income is recognised on establishment of right to receive.

(p) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes, Contingent Assets are neither recognized nor disclosed in the financial statements.

(q) Borrowing Costs

- (I) Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised.
- (II) Other Borrowing cost is recognised as an expense in the period in which they are incurred.

(r) Related Party Transaction

Parties are considered to be related if at any time during the year, one party has the ability to control the other party or to exercise significant influence over the other party in making financial and / or operating decision.

(s) Use of Estimates

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates which are reported in the period in which the result is known.

Notes to Accounts for the period ended 31st March, 2010

1) Material Regroupings

- a) Upto financial year ended 31st March 2008, the company has been showing "Interest Income" separately under the head Other Income. From the financial year 31st March 2009, the company has deducted "Interest Income" from "Interest Expenses" under the head Interest & Other Financial Charges. The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.
- b) Upto financial year ended 31st March 2008, the company has been showing "Increase or Decrease in Inventories" under separate head in Profit and Loss Account. From financial year ended 31st March 2009, the company has changed the policy and has shown the amount under "Material, Manufacturing Exp. & Others". The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.



- c) Upto financial year ended 31st March 2008, the company has been showing "Material Cost" inclusive of Trading Goods in the Profit and Loss Account. From financial year ended 31st March 2009, the company has changed the classification by separately showing "Trading Goods" and "Manufacturing Goods". The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- d) For financial year ended 31st March 2009 and, the company has been showing "Forex (Gain) / Loss" in respect of "Purchase Of Raw Material" under "Material, Manufacturing Exp. and Others". In the summary statement of Profit & Loss Account as restated for financial year ended 31st March 2009 and , the company has shown the same separately under the head "Forex (Gain) / Loss".
- e) Upto financial year ended 31st March 2007, the company has been showing "Professional Charges and Testing charges" in respect of "Material, Manufacturing and Others" related to K R Bedmutha Techno Associates (Division of Bedmutha Industries Limited) under Selling and Administrative expenses. From financial year ended 31st March 2008, the company has changed and clubbed the amount under "Manufacturing / Direct Expenses" under "Material, Manufacturing Exp. & Others". The summary statement of Balance Sheet as restated for the financial year ended 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- f) Upto financial year ended 31st March 2008, the company has been showing "Personnel Cost" under Selling and Administrative Expenses. From financial year ended 31st March 2009, the company has changed the classification by separately showing "Personnel Cost". The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.
- g) Upto financial year ended 31st March 2008, the company has been showing "Deferred Revenue Expenditure written off and Preliminary Expenses written off" under the head Administrative and Selling Expenses. From financial year ended 31st March 2009, the company has changed and clubbed the amount and shown under the head "Miscellaneous Expenses Written off" " in Profit and Loss Account. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.
- h) In Financial Year 2005-2006 & 2006-2007, Capital Work In Progress was included in Gross Block of Fixed Assets. From Financial Year 2007-2008 Gross Block of Fixed Asset has been restated excluding Capital WIP. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- i) For Financial Year 31st March 2010 and Upto financial year ended 31st March 2008, the company has been showing "Credit Balance of Current A/C's" under the head Current Liabilities & Provisions. From financial year ended 31st March 2009, the company has changed and clubbed the amount with "Cash & Bank Balance" under the head Current Assets, Loans & Advances. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2010, 31st March 2008, 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- j) Upto financial year ended 31st March 2008, the company has been showing "Outstanding Expenses" under the head "Provisions". From financial year ended 31st March 2009, the company has changed and clubbed the amount under separate head "Outstanding Expenses" under the head Current Liabilities. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.


Statement showing Material Regrouping made in restated balance sheet
Schedules to Balance Sheet
(Rs. in Lacs)

Sr. No.	PARTICULARS	2009-10	2008-09	2007-08	2006-07	2005-06
1	<u>Fixed Assets</u> Gross Block as per Audited Balance Sheet				1319.70	1104.77
	Less: Capital WIP included in Gross block in Audited Balance Sheet	No Change	No Change	No Change	40.72	17.65
	Gross Block as per Restated Balance Sheet				1278.98	1087.12
2	<u>Cash and Bank Balance</u> As per Audited Balance Sheet	655.79		570.06	352.39	138.60
	add: "(Credit Balance)" of Current A/C's as per book, clubbed under Current Liabilities & Provisions in Audited Balance Sheet	-192.65	No Change	-91.85	-1.22	-2.88
	As per Restated Balance Sheet	463.14		478.21	351.17	135.72
3	<u>Current Liabilities & Provision</u> As per Audited Balance Sheet	3662.95		1186.21	220.54	370.67
	Less: "Credit Balance" of Current A/C's as per book, clubbed under Current Liabilities & Provisions in Audited Balance Sheet now under Cash and Bank Balance in Restated Balance Sheet	192.65	No Change	91.85	1.22	2.88
	As per Restated Balance Sheet	3470.30		1094.36	219.32	367.79
4	<u>Provision</u> As per Audited Balance Sheet	507.82	No Change	230.14	96.84	121.01



Less: "Outstanding expenses clubbed under Provisions in Audited Balance Sheet now shown separately as Outstanding Expenses in current liabilities in Restated Balance Sheet	0.00		114.68	71.82	67.51
As per Restated Balance Sheet	507.82		115.46	25.02	53.50

Statement showing Material Regrouping made in restated Profit & Loss Account

Schedules to Profit & Loss Accounts

(Rs. in Lacs)

Sr. No.	PARTICULARS	2009-10	2008-09	2007-08	2006-07	2005-06
1	<u>Other Income</u> As per Audited Profit & Loss Account			91.91	13.06	13.37
	Less: Interest received clubbed under Other Income in Audited P&L A/C now Netted Off from Interest and Financial Charges in Restated P&L A/C	No Change	No Change	20.11	12.47	4.06
	As per Restated Profit & Loss Account	0.00	0.00	71.80	0.59	9.31
2	<u>Material, Manufacturing and Others</u> As per Audited Profit & Loss Account (under the head Raw Material Consumed and Other Manufacturing Expenses)		12763.10	9671.43	6036.57	4457.88
	Add: Processing Charges included in Administrative and Establishment Expenses in Audited P&L A/C now grouped under Material, manufacturing & Others in Restated P&L A/C	No Change		0.00	38.37	20.56



	<u>Add: Testing Charges included in Administrative and Establishment Expenses in Audited P&L A/C now grouped under Material, manufacturing & Others in Restated P&L A/C</u> Less: Foreign Exchange Rate Difference shown Separately in Audited P&L A/C now clubbed with Raw Material Consumed under the head Material, manufacturing and Others in Restated P&L A/C Less: (Increase) or Decrease in Stock earlier shown under separate head in Audited P&L A/C now clubbed under the Material, Manufacturing and Others in Restated P&L A/C As per Restated Profit & Loss Account			0.00	23.04	33.23
		415.27	0.00	0.00	0.00	0.00
			-18.20	-134.50	307.70	
		0.00	12347.38	9689.62	6232.46	4203.97
3	<u>Personnel</u> As per Audited Profit & Loss Account Add: Staff Expenses earlier clubbed under Administrative and Establishment Expenses in Audited P&L A/C now shown separately under the head Personnel As per Restated Profit & Loss Account	No Change	No Change	0.00	0.00	0.00
				287.50	159.26	154.68
		0.00	197.74	287.50	159.26	154.68
4	<u>Administrative and Selling Expenses</u> As per Audited Profit & Loss Account <u>Less: Miscellaneous Expenses W/Off considered separately in Restated P&L A/C</u>	No Change	No Change	702.22	713.30	466.55
				2.91	6.57	6.31



	Less: Professional Charges included in Administrative and Establishment Expenses in Audited P&L A/C now grouped under Material, manufacturing & Others in Restated P&L A/C		0.00	0.00	38.37	20.56
	-					
	Less: Testing Charges included in Administrative and Establishment Expenses in Audited P&L A/C now grouped under Material, manufacturing & Others in Restated P&L A/C		0.00	0.00	23.04	33.23
	-					
	Less: Staff Expenses earlier clubbed under Administrative and Establishment Expenses in Audited P&L A/C now shown separately under the head Personnel		0.00	287.50	159.26	154.68
	As per Restated Profit & Loss Account	0.00	0.00	411.80	486.07	251.77
5	<u>Interest and Financial Charges</u> As per Audited Profit & Loss Account			457.62	259.96	157.09
	Less: Interest received clubbed under Other Income in Audited P&L A/C now Netted Off from Interest and Financial Charges in Restated P&L A/C	No Change	No Change	20.11	12.47	4.06
	Less: Interest on Income Tax Refund clubbed under Other Income in Audited Balance Sheet now Netted Off from Interest and Financial Charges			0.00	0.00	0.54
	As per Restated Profit & Loss Account	0.00	0.00	437.51	247.49	152.49
6	<u>Miscellaneous Expenditure</u> <u>Written off</u> As per Audited Profit & Loss Account	No Change	No Change	0.00	0.00	0.00



	Add: Miscellaneous Expenses W/Off considered separately in Restated P&L A/C		0.00	2.91	6.57	6.31
	As per Restated Profit & Loss Account	0.00	0.00	2.91	6.57	6.31

1. (a) The Summary of results of net adjustments / rectifications made in the audited accounts of the respective year and its net impact on assets and liabilities is given below

(Rs. In Lacs)

Sr.	Cumulative effect of above increase / (decrease) in statement of assets and liabilities	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
I	Changes in accounting policies / correction of accounting policies					
	Capital Reserves as per Audite Balance Sheet	44.17	55.00	55.00	-	-
	Decrease in Capital reserve	15.00	25.83	25.83	-	-
	Capital Reserves as per Restated Statement	29.17	29.17	29.17	-	-
	Goodwill as appering in Audited Balance Sheet	86.51	112.34	112.34	86.51	86.51
	Decrease in Goodwill		25.83	25.83	-	-
	Goodwill as appering in Restated Statement	86.51	86.51	86.51	86.51	86.51
	Plant & Machinery (Fixed Asset) as appearing in ABS	3780.74	-	-	-	-
	Decreased due to incentive received	15.00	-	-	-	-
	Plant & Machinery (Fixed Asset) as appearing in Restated balance sheet	3765.74	-	-	-	-

- i) The assets ,liabilities , right and obligation of amalgamated companies vested in the Company w.e.f. 1st April, 2007 and have been recorded under 'pooling of Interest Method as prescribed by the Institute of Chartered Accountants of India in the Accounting Standards 14 - Accounting for Amalgamations. Accordingly, all the assets, liabilities and reserves of erstwhile merged companies as on 1st April 2007 have been taken over at their book values. There were no material differences between the accounting policies between the merged companies and the Bedmutha Wire Company Ltd. Rs.25,83,420 being the difference amount of shares to be allotted to the shareholders of merged companies and the value of net assets acquired , was wrongly debited to Goodwill in Audited Balance Sheet which has been rectified and effect is given to the Reserves account as per Accounting Standard 14 in the restated balance sheet.
- ii) During the year, the company has received Capital Incentive of Rs. 15,00,000/- under Package Scheme of Incentives. The Company has treated it as capital reserve. As per Accounting Standards



12 - Government Grants, capital incentive received against Fixed Asset is to be reduced from the particular Fixed Asset. The same effect is given in restated balance sheet. There is no change in Profit and Loss account.

(b) The Summary of results of net adjustments / rectifications made in the audited accounts of the respective year and its net impact on Profit and Loss Account is given below

Notes to Accounts for the Period ended 31st Mar, 2010

(Rs. In Lacs)

Sr.	Cumulative effect of above increase / (decrease) in statement of assets and liabilities	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
I	Changes in accounting policies / correction of accounting policies					
	Profit / (Loss) as per Audited Financials for the year before adjustment rectifications	1001.39	700.34	358.36	26.78	23.61
II	Changes in accounting policies / correction of accounting policies					
a	Depreciation	5.17	(2.58)	(2.58)	-	-
III	Net Impact on Profit and Loss Account (after tax)	5.17	(2.58)	(2.58)	-	-
IV	Net Profit / (loss) after tax as restated Profit and Loss Statement	996.22	702.93	360.94	26.78	23.61

Notes to Accounts

(1) Secured Loans

- Term loans are secured by first pari-passu / equitable mortgage on entire block of assets of the company and the personal guarantee of Directors, Mr. Vijay Vedmutha, Mr. Ajay Vedmutha and Mrs. Usha Vedmutha and Guarantor Mrs. Vinita Vedmutha.
 - Working Capital loans are secured by way of hypothecation of Current Assets namely Finished goods, raw material, Work in progress, consumables, book debts, receivables.
 - Vehicle Loans are secured by the way of hypothecation of Vehicle purchased thereunder.
- (2)** In the opinion of the Board, current assets, loans and advances have a value at least equal to the amounts at which they are stated in the Balance Sheet, if realized in ordinary course of business.
- (3)** During 31st March , 2010; Rs. 0.45 lacs Education Cess on Dividend Tax pertaining to FY 2008-09 was made.
- (4) Contingent Liabilities :-** Annexure XI-A



(5) Maximum Balance With Non-Schedule Bank held in Current Accounts

Sr.	Name of Bank	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Nasik People Co-Op Bank Ltd - Nasik	-	-	-	0.31	9.94
2	Nasik People Co-Op Bank Ltd - Sinnar Br.	-	-	-	0.67	6.08
3	Nasik People Co-Op Bank Ltd - Nasik	-	-	-	1.40	1.40

(6) Value of Export Sales

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Export Sales	-	-	-	-	-

(7) Earning in Foreign Currency

Sr.	Type	31-Mar-09	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Export at FOB Value	-	-	-	-	-

(8) Expenditure in Foreign Currency

Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Tour & Travelling Expenses	2.31	2.98	8.60	7.58	5.38
CIF Value Of Imports	4,163.36	3,739.48	2,515.53	1,888.50	687.43

(9) Auditors Remuneration

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Statutory Audit Fees	1.10	1.12	1.12	0.30	0.30
2	Internal Audit Fees	1.10	0.73	-	-	-
3	Tax Audit Fees	1.10	1.12	1.12	0.30	0.30
4	Certification work	3.20	0.06	-	0.06	0.04

(10) Payment to Directors

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Directors Salary & Contribution to Provident Fund - Directors	-	-	-	-	-
		43.74	27.00	27.00	15.00	6.06
2	Rent	3.03	0.83	8.76	8.04	7.80

(11) Sundry debtors include due from a firm/Company in which directors / relatives of directors of the company are partner / Proprietor / director

Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Amount due	319.73	262.40	93.80	208.19	140.18



(12) The major component of **Deferred Tax Liability (Net)** are given below:

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Deferred Tax Liability					
	a) Depreciation	330.84	215.51	173.41	61.52	60.55
	b) Deferred Revenue Expenses	15.24	4.62	0.94	2.21	2.12
	c) Disallowance u/s 43B & 40(a)(ia)	0.00	-	-	0.81	-
	d) Preliminary Expenses Written Off	0.00	-	-	-	-
		346.08	220.14	174.35	64.54	62.67
2.	Deferred Tax Asset					
	a) Unabsorbed Depreciation of brought forward business loss	-	-	52.50	-	-
	b) Disallowance u/s 43B & 40(a)(ia)	30.39	-	-		2.42
			0	52.50	0	2.42
	Deferred Tax Liability (Net)	315.69	220.14	121.85	64.54	60.25

(13) **Earning per share:-** Annexure XII-A

(14) **Related Party transactions :** - Annexure XVII-A

(15) **Segment Reporting :-** Annexure XVIII-A

The company has two business segments : Wire Division and Consultancy Division

(16) **Installed Capacity and Production**

Sr.		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Installed Capacity					
	a) Wire Drawing Unit	60,000.00	60,000.00	42,100.00	18,000.00	18,000.00
	b) Galvanised Section	26,050.00	25,300.00	25,300.00	16,800.00	16,800.00
2	Actual Production					
	a) Wire Drawing Unit	33,872.42	26,797.01	19,792.15	16,058.89	16,401.13
	b) Galvanised Section	25,549.00	20,509.19	16,508.94	14,257.40	14,663.51
3	Percentage Utilization					
	a) Wire Drawing Unit	56%	45%	47%	89%	91%
	b) Galvanised Section	98%	81%	65%	85%	87%

Notes

- I. During the FY 2007-08, Wire Drawing Capacity increased by 24100 MT due to Merger of Shriram Wire Private Limited, and Galvanising Capacity was increase to 25300 due to addition of new line with production capacity of 8500 MT.
- II. During the FY 2009-10, The installed capacity in galvanised section has been increased from 25,300MT to 26,050 MT in March 2010. During the FY 2008-09, The installed capacity has increased from 42,100 MT to 60,000 MT in March 2009



- III. The installed capacity given for wire drawing unit is based on standard size of wire drawn in and out and the capacity gets reduced as the size of wire drawn becomes thinner
- iv. In March 2010, Galvanising Capacity was increased to 26050 MT due to addition of new line with production capacity of 750 MT per month

(17) Based on the information available with the company in respect of MSME (as defined in the Micro, Small and Medium Enterprise Development Act, 2006) there are no delays in payment of dues to such enterprises during the year. The above information regarding MSME has been determined to the extent such parties have been identified on the basis of the information available with the company. This has been relied upon by the auditors.

(18) Disclosure of Subsidiary Company

Sr.		31/03/2010	31/03/2009	31/03/2008	31/03/2007	31/03/2006
1	Name of Subsidiary Companies	Kamalasha Infrastructure and Engineering Private Limited	-	KRBTA Unison Consultancy Private Limited	KRBTA Unison Consultancy Private Limited	-
2	Shareholding	54.75%	-	51%	51%	-

- (a) On 22nd December 2006, the company has acquired 5100 Equity Shares of Rs. 10 each, Fully Paid in KRBTA Unison Consultancy Private Limited (KUCPL). KUCPL become subsidiary w.e.f 22nd December 2006.
- (b) On 1st April 2009, the company was holding 2300 shares of Rs. 10 each, fully paid in Kamalasha Infrastructure and Engineering Private Limited (KIEPL). On 7th July 2009, company received 29900 bonus shares of Rs. 10 each fully paid in ratio of 13 : 1. Subsequently, On 27th July 2009, the company has acquired 2,41,600 Equity Shares of Rs. 10 each, Fully Paid in KIEPL. On 27th July 2009 the Company is holding 2,73,800 Fully Paid Equity Shares of Rs. 10 each in KIEPL, representing 58% of KIEPL's Equity Share Capital. KIEPL become subsidiary w.e.f 27th July 2009.

In October the company acquired at cost 2,68,200 Equity Shares of Rs. 10 each, Fully Paid in KIEPL in process of fresh allotment. As on 31st March 2010 the company has 54.74745% share holding in KIEPL.

(19) Details Of Unsecured Loan From Sales Tax

District Industrial Centre, Nashik has granted Sale Tax benefit vide Eligibility certificate Nos.

- DIC(i)/1993/Nasik/01198/Deferral/279 Dt.12.01.2001
- DIC(I)/1993/Nasik/0347/Deferral/1473 Dt.02.02.2006
- DIC(I)/1993/Nasik/1632/Deferral/12154 Dt. 22.10.2008
- DIC(I)/1993/Nasik/01273/Deferral/1477 Dt.02.02.2006

Western Maharashtra Development Corporation has granted Sales Tax Loan vide -
WMDC/PSGI/1988/BWC/836/NSK/EC Dt. 03.07.2002



Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06	Particulars
Total Ceiling Limit	976.28	976.28	930.75	930.75	282.85	Total Ceiling Limit
Opening Bal	805.40	687.56	391.04	339.32	323.85	Opening Bal
Utilized During the year	158.65	117.84	296.52	51.71	15.48	Utilized During the year
Closing Balance	964.05	805.40	687.56	391.04	339.32	Closing Balance

Note:

- I. DIC has sanctioned vide DIC(i)/1993/Nasik/01198/Deferral/279 Dt.12.01.2001 and subsequent to that Department of Sales Tax has issued entitlement certificate No. 422103/S/R31B/923 valid upto for Rs. 533.82 lacs within a period of 117 months ending 30.11.2010 for Shriram Wire Pvt. Ltd. which was merged with Bedmutha Wire Co. Ltd. w.e.f 1st April, 2007 as per the High Court Order dt. 29th August, 2008
- II. DIC has sanctioned vide DIC(I)/1993/Nasik/0347/Deferral/1473 Dt.02.02.2006 and subsequent to that Department of Sales Tax has issued entitlement certificate No. 422103/S/R31B/1192 valid upto for Rs. 114.08 lacs for Kamdhenu Wire Pvt. Ltd. which was merged with Bedmutha Wire Co. Ltd. w.e.f 1st April, 2007 as per the High Court Order dt. 29th August, 2008
- III. DIC has sanctioned vide DIC(I)/1993/Nasik/1632/Deferral/12154 Dt. 22.10.2008 and subsequent to that Department of Sales Tax has issued entitlement certificate No. 27590050306V/S/R.81/1202 valid upto for Rs. 45.53 Lacs or for the period 01.12.2008 to 31.05.2012, whichever is earlier for Ajay Wire Product Pvt. Ltd. which was merged with Bedmutha Wire Co. Ltd. w.e.f. 1st April, 2007 as per the High Court Order dt. 29th August, 2008

(20) Merger of Companies

- (I) In terms of Scheme of Amalgamation (in nature of Merger) as approved by the Board of Directors of the Company in their meeting held on 21st March, 2008 and subsequently sanctioned by order dated 29th August 2008, of Honourable High Court of Mumbai following companies has been amalgamated with the Company w.e.f 1st April, 2007 :-

- a) Ajay Wire Products Pvt. Ltd.
- b) Kamdhenu Wire Pvt. Ltd.
- c) Shriram Wire Pvt. Ltd.

All the above mentioned companies were engaged in the business of manufacturing wire rods, wire products and allied activities

- (ii) Pursuant to the scheme of Arrangement and Amalgamation amongst the Company and above referred merged companies and their respective shareholders and creditors (the Scheme of Amalgamation) all the assets and liabilities of above referred merged companies were transferred to and vested in the Company with retrospective effect from 1st April, 2007 and the Scheme of Amalgamation has accordingly been given effect to in these accounts.
- (iii) In view of the order passed by the Hon. High Court of Mumbai making the merger effective w.e.f. 01-04-2007 the account for the financial year 2007-08 include the figures of erstwhile three companies mentioned hereinabove. Hence the figures for the current year are not comparable with those of the previous year.



(iv) In accordance with the said scheme :-

- a) The assets, liabilities, right and obligation of abovementioned companies vested in the Company w.e.f. 1st April, 2007 and have been recorded under 'pooling of Interest Method as prescribed by the Institute of Chartered Accountants of India in the Accounting Standard 14 -Accounting for Amalgamations. Accordingly, all the assets, liabilities and reserves of erstwhile merged companies as on 1st April 2007 have been taken over at their book values. There were no material differences between the accounting policies between the merged companies and the Bedmutha Wire Company Ltd. Rs.25,83,420 being the difference the amount of shares to be allotted to the shareholders of merged companies and the value of net assets acquired ,have been debited to the Reserves account.
- b) 2296862 Equity Shares of Rs.10 each are to be issued as fully paid-up to the shareholders of transferor companies without payment received in cash and pending allotment, these have been shown under the head "Share Suspense Account. Following are the details of shares to be issued to the shareholders of following merged companies :-
 - 138 (one hundred thirty eight) new Equity shares of Rs. 10/- each in the Transferee Company (BWCL) are to be allotted as fully paid up for every 10 (Ten) Equity shares of Rs. 10/- each fully paid up and held by them in capital of Ajay Wire Products (P) Ltd.
 - 135 (one hundred thirty five) new Equity shares of Rs. 10/- each in the Transferee Company (BWCL) are to be allotted as fully paid up for every 10 (Ten) Equity shares of Rs. 10/- each fully paid up and held by them in capital of Kamdhenu Wire (P) Ltd.
 - 11 (Eleven) new Equity shares of Rs. 10/- each in the Transferee Company (BWCL) are to be allotted as fully paid up for every 10 (Ten) Equity shares of Rs. 10/- each fully paid up and held by them in capital of Shriram Wire (P) Ltd.

21 Equity Share Capital

- I. 2,211 Equity Shares of Rs. 100 each fully paid were allotted to Vijay Vedmutha against purchase of Plant and Machinery on 25th February 1993.
- II. Company has subdivided the Equity Shares of Rs. 100/- each into Equity Shares of Rs. 10 each on 1st October 1998.
- III. 75,000 Equity Shares of Rs. 10 each were issued as Bonus Shares in ratio of 3:1 on 27th March 1997.
- IV. 16,43,768 Equity Shares of Rs. 10 were allotted to Vijay Vedmutha against take over of Kamal Wire Drawings (Proprietor Mr. Vijay Vedmutha) on 1st October 1998.
- V. 50,000 Equity Shares of Rs. 10 each were allotted to Ajay Vedmutha for take over of Testing Engineers and Associates (Proprietor Mr. Ajay Vedmutha) on 1st April 2000.
- VI. 33,49,488 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1:1 on 27th March 2008.
- VII. 22,96,862 Equity Shares of Rs. 10 each fully paid up issued on 5th December 2008, to Shareholders of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited pursuant to Scheme of amalgamation.
- VIII. 30,06,850 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1:3 on 31 st October 2009.

(22) We confirm that all the Notes to the Accounts, Significant Accounting Policies and Auditors Qualifications have been incorporated.



(23) We confirm that there are no other material notes to the Auditors Report which has financial bearing on our company.

Annexure V-A
STANDALONE AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Rs. In Lacs)

Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Receivables					
a) Other than Promoter Group					
More than six months	146.45	90.79	50.60	32.03	284.38
Less than six months	2903.17	1812.55	1610.91	912.48	677.58
Total (a)	3049.62	1,903.34	1,661.51	944.50	961.96
b) From Promoter Group					
More than six months	139.97	57.73	7.59	35.05	12.50
Less than six months	179.76	204.67	86.20	173.14	127.68
Total (b)	319.73	262.40	93.80	208.19	140.18
Total (a) + (b)	3369.35	2,165.74	1,755.31	1,152.69	1,102.14

Annexure VI- A
STANDALONE DETAILS OF LOANS & ADVANCES

(Rs. In Lacs)

Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Receivables from					
a) Promoter Group	352.80	283.12	242.00	22.60	21.82
b) Group Companies / Associates / Directors	77.24	208.16	22.50	57.97	39.04
c) Others	1811.69	376.44	325.48	274.92	113.90
Total	2241.73	867.72	589.98	355.50	174.77

Annexure VII-A
STANDALONE DETAILS OF SECURED LOANS

(Rs. In Lacs)

Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Term Loan					
			-		
Bank of India	638.00	393.13	331.58	115.32	170.24
Punjab National Bank	540.61	409.41	282.64	118.23	190.54
Andhra Bank	428.59	124.42	164.72	143.74	0.00
					-
Total (a)	1607.19	926.96	778.94	377.29	360.78
Working Capital Loan					
Punjab National Bank	2811.63	1032.93	1126.28	519.68	525.19
Bank of India Ltd	1529.87	967.21	868.91	590.64	352.90
Andhra Bank	1174.45	869.10	834.96	863.61	417.70



Particulars	For the year ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Total (b)	5515.95	2,869.23	2,830.15	1,973.93	1,295.79
Vehicle Loan					
	-	-			
Kotak Mahindra Bank Ltd	-	0.21	0.43	2.56	4.83
Hdfc Bank Ltd	17.43	11.11	19.45	10.06	8.81
ICICI Bank Ltd	8.97	8.02	17.61	26.25	15.39
Total (c)	26.40	19.34	37.48	38.87	29.04
Total (a) + (b) + (c)	7149.55	3,815.54	3,646.57	2,390.09	1,685.61


Details of Secured Loan

Sr	Name of the banker	Type of facility	Date of sanction	Limit Sanction in lacs	O/S as on 31/03/2010 (Rs. In lacs)	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Security
1	TERM LOAN									
A	Punjab National Bank	Term loan	29-Aug-07	240.00	150.96	BPLR + 2%+0.5%	4.00	40 Equal Monthly Instalments	1-Dec-10	Prime Security :-
			29-May-07	225.00	167.13		4.00	60 Equal Monthly Instalments	1-Jul-12	All the movable assets including Furniture & Fixture , Equipments, Plant & machinery and other movable (excluding vehicles) fixed, both present & future.
			2-Jun-09	220.00	222.52		3.67	60 Equal Monthly Instalments		Raw Materials, semi finished & finished goods, consumable stores & such other movables, both present & future
		Short Term Loan	30/03/2010	1000.00	1000.68		-	One Time Sanction for 180 days	31/07/2010	First Pari-passu charge on current asset and second pari-passu charge on Companies fixed asset
				1685.00	1541.29					Industrial Plot bearing No.A-31 & A-57 in STICE Sinnar adm. about 4000 Sq. mtrs. together with the constructed buildings plants and machineries, fixtures & fittings thereto.
b	Bank Of India	Term loan	26/05/08	360.00	302.28	At BPLR min 12% P.A.	6.00	60 Equal Monthly Instalments	june'2013	Industrial Plot bearing No.A-32/35 in STICE Sinnar adm. about 4000 Sq. mtrs. together with the constructed buildings plants and machineries, fixtures & fittings thereto.
			15-May-07	180.00	99.00		3.00	60 Equal Monthly Instalments	1-May-12	Industrial Plot bearing No.A-33 & A-34 in STICE Sinnar adm. about 4000 Sq. mtrs. together with the constructed buildings plants and machineries, fixtures & fittings thereto.



			21-Feb-08	283.00	23.58		11.48	28 Equal Quarterly Instalments	1-Mar-15	Industrial Plot bearing No.A-70 & A-72 in STICE Sinnar adm. about 4000 Sq. mtrs. together with the constructed buildings plants and machineries, fixtures & fittings thereto.
			9-Sep-09	225.00	213.14		6.00	60 Equal Monthly Instalments		Agricultural land bearing Gat no.931/1 total area adm.12H-46R situated at Village Musalgaon, tal Sinnar, Dist Nashik
				1048.00	638.00					Industrial Plot bearing NoB-113 in STICE Sinnar adm. about 1000 Sq. mtrs. together with the constructed buildings plants and machineries, fixtures & fittings thereto.
c	Andhra Bank	Term loan	29-Mar-07	180.00	100.05	BMPLR-1%+.25%	3.00	60 Equal Monthly Instalments	1-Mar-12	Industrial Plot bearing NoB-140 in STICE Sinnar adm. about 1000 Sq. mtrs. together with the constructed buildings plants and machineries, fixtures & fittings thereto.
			21-May-09	325.00	328.54			60 Equal Monthly Instalments		Collateral Security :- Personal Guarantee of the following Directors & Guarantor a] Vijay K. Vedmutha b] Ajay K. Vedmutha c] Usha V. Vedmutha d] Vinita A. Vedmutha .
				505.00	428.59					
	Grand Total			3238.00	2607.88					



2	WORKING CAPITAL									
a	Punjab National Bank	Fund Base Limit	29-May-09	1800.00	153.56	BPLR + 2%		Renewal due on 29-May-10	Not Applicable	1] Fund Based limits secured by First pari - passu charges on current assets i.e. inventory & receivables of the company 2] Collateral Security :- Personal Guarantee of the following Directors & Guarantor a] Vijay K. Vedmutha b] Ajay K. Vedmutha c] Usha V. Vedmutha d] Vinita A. Vedmutha .
		FCL	09-Sept-09		1657.38	LIBOR + 5.50%		One Time Sanction for 180 days	31/07/2010	
				1800.00	1810.94					
b		Fund Base Limit	9-Sep-09			At BPLR min 12% P.A.		Renewal due on 9-Sep-10	Not Applicable	
	Bank Of India			1800.00	1529.87					
				1800.00	1529.87					
c	Andhra Bank	Fund Base Limit	21-May-09	1300.00	1174.45	BMPLR-1%		Renewal due on 21-May-10	Not Applicable	
				1300.00	1174.45					
	Grand Total			4900.00	4515.26					
	NON FUND BASE LIMIT									
a	Punjab National Bank	Non Fund Base limit	29-May-09					Renewal due on 29-May-10		
		ILC/ FLC		780.00	1055.88					
		ILG		110.00	6.20					
				890.00	1062.08					
b	Bank of India	Non Fund Base limit	9-Sep-09					Renewal due on 9-Sep-10		
		ILC/ FLC		780.00	766.08					
		ILG		110.00	18.99					
				890.00	785.07					



c	Andhra Bank	Non Fund Base limit	21-May-09					Renewal due on 21-May-10		
		ILC/ FLC		540.00	538.25					
		ILG		80.00						
				620.00	538.25					

Details of Vehicle Loan

(Rs in Lacs)

Sr	Name of the banker	Type of facility	Date of sanction	Limit Sanction	O/S as on 31-March-10	Interest Rate	Installment Amount	Repayment schedule	Last Installments	Security
1	HDFC Bank Ltd.	Vehicle Loan	13-Aug-07	14.67	7.49	7.43%	0.32	60 Equated Monthly Instalments including monthly interest	7-Jun-12	Primary security against hypothecation of Vehicle Skoda Laura bearing number MH-15-BX-2534
2	ICICI Bank Ltd.	Vehicle Loan	24-Apr-06	8.88	0.69	7.44%	0.18	60 Equated Monthly Instalments including monthly interest	7-Sep-10	Primary security against hypothecation of Vehicle Innova bearing number MH - 15 BD -9734
3	HDFC Bank Ltd.	Vehicle Loan	13-Feb-06	2.74	0.18	7.43%	0.06	55 Equated Monthly Instalments including monthly interest	7-Jun-10	Primary security against hypothecation of Vehicle Maruti Alto bearing number MH - 15 BN - 1202



Sr	Name of the banker	Type of facility	Date of sanction	Limit Sanction	O/S as on 31-March-10	Interest Rate	Installment Amount	Repayment schedule	Last Installments	Security
4	ICICI Bank Ltd.	Vehicle Loan	22-Nov-06	9.09	2.96	10.17%	0.20	58 Equated Monthly Instalments including monthly interest	22-Jul-11	Primary security against hypothecation of Vehicle Eicher Bus bearing number MH-15-AK-551
5	ICICI	Vehicle Loan	20-Jan-10	5.75	5.32	10.17%	0.18	36 Equated Monthly Instalment including monthly interest	15/12/2012	Primary security against hypothecation of Vehicle Fabia Skoda bearing number MH – 15-CM-2939
6	HDFC Bank Ltd.	Vehicle Loan	2-May-09	14.35	9.76	7.43%	0.43	36 Equated Monthly Instalment including monthly interest	7-Mar-12	Primary security against hypothecation of Vehicle Jeeta Car bearing number MH - 15 -CD-5783
				55.48	26.40					



Annexure VIII-A

STANDALONE DETAILS OF UNSECURED LOANS

(Rs. In Lacs)

Particulars					
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Received from					
a) Promoter Group	0.00	0	0	0	0
b) Group Companies	0.00	0	0	67.57	118.41
c) Others					
1) Bank & Financial Institutions	84.28	104.47	107.06	0	0
2) DIC/WMDC	964.05	805.40	687.56	391.04	339.32
3) Others	9.00	9.00	11.47	11.47	11.88
Total Others	1057.33	918.87	806.09	402.51	351.20
Total (a) + (b) + (c)	1057.33	918.87	806.09	470.07	469.61


A] Details of Unsecured Loan from Govt

Sr	Name /Eligibility / Entitlement Certificate No.	Date of sanction	Limit Sanction in lacs	O/S Rs. In lacs as on 31/03/2010	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Repayment Schedule
	WMDC	NA	161.63	133.32	N.A.				
	District Industry Centre 27590050306V/S/R.81/1202	25-Nov-08	45.53	45.65	N.A.				The payment of the tax according to the Assessment order passed covering the returns referred to above or such tax payable according to the order, if any that may be passed under section 23,24,25,26 & 27 of the MVAT Act, 2002 and under section 9 of the Central Sales Tax Act 1956 shall be deferred for a period covered in respect of each of the order of assessment passed. Entire amount as the order referred to in condition (d) above in equal annual instalments not exceeding five such instalments on the expiry of the 10th year, as referred to in clause (d) as per provisions of Rule 81 of MVAT Rules 2005



Sr	Name /Eligibility / Entitlement Certificate No.	Date of sanction	Limit Sanction in lacs	O/S Rs. In lacs as on 31/03/2010	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Repayment Schedule
	District Industry Centre 422103/S/E.81/1193	2-Feb-06	75.22	75.00	N.A.				The payment of the tax according to the Assessment order passed covering the returns referred to above or such tax payable according to the order, if any that may be passed under section 23,24,25,26 & 27 of the MVAT Act, 2002 and under section 9 of the Central Sales Tax Act 1956 shall be deferred for a period covered in respect of each of the order of assessment passed. Entire amount as the order referred to in condition (d) above in equal annual instalments not exceeding five such instalments on the expiry of the 10th year, as referred to in clause (d) as per provisions of Rule 81 of MVAT Rules 2005



Sr	Name /Eligibility / Entitlement Certificate No.	Date of sanction	Limit Sanction in lacs	O/S Rs. In lacs as on 31/03/2010	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Repayment Schedule
	District Industry Centre 422103/S/R31B/923	13-Feb-01	533.82	493.70	N.A.				The payment of the tax according to the Assessment order passed covering the returns referred to above or such tax payable according to the order, if any that may be passed under section 23,24,25,26 & 27 of the MVAT Act, 2002 and under section 9 of the Central Sales Tax Act 1956 shall be deferred for a period covered in respect of each of the order of assessment passed. Entire amount as the order referred to in condition (d) above in equal annual instalments not exceeding five such instalments on the expiry of the 10th year, as referred to in clause (d) as per provisions of Rule 81 of MVAT Rules 2005



Sr	Name /Eligibility / Entitlement Certificate No.	Date of sanction	Limit Sanction in lacs	O/S Rs. In lacs as on 31/03/2010	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Repayment Schedule
	WMDC/PSCI/1988/036/NSK/EC		170.69	164.06	N.A.				The payment of the tax according to the Assessment order passed covering the returns referred to above or such tax payable according to the order, if any that may be passed under section 23,24,25,26 & 27 of the MVAT Act, 2002 and under section 9 of the Central Sales Tax Act 1956 shall be deferred for a period covered in respect of each of the order of assessment passed. Entire amount as the order referred to in condition (d) above in equal annual instalments not exceeding five such instalments on the expiry of the 10th year, as referred to in clause (d) as per provisions of Rule 81 of MVAT Rules 2005



Sr	Name /Eligibility / Entitlement Certificate No.	Date of sanction	Limit Sanction in lacs	O/S Rs. In lacs as on 31/03/2010	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Repayment Schedule
	District Industry Centre 422103/S/R31B/1192	1-Mar-06	114.08	52.31	N.A.				The payment of the tax according to the Assessment order passed covering the returns referred to above or such tax payable according to the order, if any that may be passed under section 23,24,25,26 & 27 of the MVAT Act, 2002 and under section 9 of the Central Sales Tax Act 1956 shall be deferred for a period covered in respect of each of the order of assessment passed. Entire amount as the order referred to in condition (d) above in equal annual instalments not exceeding five such instalments on the expiry of the 10th year, as referred to in clause (d) as per provisions of Rule 81 of MVAT Rules 2005
			1100.97	964.05					



B] Details of Unsecured Loan from other

Sr	Eligibility / Entitlement Certificate No.		Date of sanction	Limit Sanction in lacs	O/S Rs. In lacs as on 31/03/2010	Interest Rate	Monthly Quarterly Instalments Rs. In lacs	Repayment schedule	Last Instalments	Repayment Schedule
1	Indiabulls Financial Services Ltd.	Business Loan	22-Apr-08	50.00	21.12	18%	1.80	36 Equated Monthly Installment including monthly interest	1-Apr-11	Nil
2	Kotak Mahindra Bank Ltd.	Business Loan	19-Mar-09	50.00	19.70	19%	1.81	36 Equated Monthly Installment including monthly interest	5-Mar-11	Nil
3	HDFC	Business Loan	28-May-09	20.00	15.93	19%	0.72	36 Equated Monthly Instalments including monthly interest	4-Jun-12	Nil
4	Standard Chartered	Business Loan	31-Mar-09	29.45	16.73	19.68%	1.55	24 Equated Monthly Instalments including monthly interest	1-Apr-10	Nil
5	Bajaj Finance	Business Loan	31-Mar-09	20.00	10.80	19%	1.00	24 Equated Monthly Instalments including monthly interest	5-Mar-11	Nil
6	Star Lite Components Ltd.			9.00	9.00	Nil	on demand			
Total					93.28					
					1057.33					



**Annexure IX-A
STANDALONE DETAILS OF OPERATING INCOME**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Domestic Sale	14,950.37	14,678.93	11,454.25	7,251.56	4,966.95
Export Sale	-	-	-	-	-
Total	14,950.37	14,678.93	11,454.25	7,251.56	4,966.95

**Annexure X-A
STANDALONE DETAILS OF OTHER INCOME**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Dividend Received	0.00	0.13	3.10	0.01	0.00
Miscellaneous Income	16.93	6.33	68.70	0.58	8.75
Corporate Guarantee Receipts	13.97				
Interest on Income tax refund	-	-	-	-	0.54
Rent Received	0.20	-	-	-	-
Total	31.10	6.46	71.80	0.59	9.30

**Annexure XI-A
STANDALONE DETAILS OF CONTINGENT LIABILITIES**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Letter of Credit Issued by Bank	1277.92	465.00	195.00	0	108.06
Foreign Letter of Credit issued by Bank	1082.29	436.20	221.01	595.54	0.00
Inland Bank Guarantee Issued	25.18	71.03	68.11	145.76	156.51
Foreign Bank Guarantee Issued	0	0	0	0	78.88
Corporate Guarantee Given	3243.80	0	140.00	0	0.00
Income Tax (A Y 2004-05)	0	0.00	0.00	27.33	27.33
Municipal Tax	0	0	0	0	2.03



Particulars					
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Estimated amount of Contract remaining to be executed on Capital Account	47.65	0.00	101.24	306.27	9.53
Custom Excise & Service Tax Appellate Tribunal, Bombay (F.Y 2003-04)	84.17	84.17	84.17	84.17	84.17
Total	5761.01	1056.40	809.53	1159.07	466.51

Annexure XII -A

STANDALONE DETAILS OF FINANCIAL RATIOS ON RESTATED NUMBERS AND EARNING PER SHARE (Rs. In Lacs)

Particulars						
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Net worth as per Annexure -IA	A	2624.20	1,842.17	1,297.17	740.73	745.66
Net Profit After Tax (NPAT) for the year Ended (Rs. In Lacs)	B (i)	996.22	702.93	360.94	26.78	23.61
Net Profit After Tax before extra ordinary items for the year / period Ended (Rs. In Lacs)	B (ii)	996.22	713.77	360.94	26.78	23.61
Number of shares outstanding at the year / period end as per Balance Sheet	C	12027400	8995838	6698976	3349488	3349488
Bonus Shares - March 27, 2008 adjusted for earlier periods	D				3349488	3349488
Shares issued on amalgamation	E			2296862		
Bonus Shares - October 31, 2009 adjusted for earlier periods	F		2998613	2998613	2232992	2232992
No. of Equity Shares Outstanding at the end of year / Period (Post Bonus Issue)	G = C+D+E+F	12027400	11994451	11994451	8931968	8931968
Weighted Average No. of Equity Shares Outstanding	H	12021984	8995838	6698976	3349488	3349488
Bonus Shares - March 27, 2008 adjusted for earlier periods	I				3349488	3349488
Shares issued on amalgamation	J			2296862		



Particulars		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Bonus Shares - October 31, 2009 adjusted for earlier periods	K		2998613	2998613	2232992	2232992
Weighted average No. of Equity Shares Outstanding at the end of year / Period (Post Bonus Issue)	L = H+I+J+K	12021984	11994451	11994451	8931968	8931968
Adjusted Earning Per Share (EPS) (after Extra ordinary items)						
- Basic (Rs.)	B (i)/L	8.29	5.86	3.01	0.30	0.26
- Diluted (Rs.)	B (i)/L	8.29	5.86	3.01	0.30	0.26
Adjusted Earning Per Share (EPS) (before Extra Ordinary items)						
- Basic (Rs.)	B (ii)/L	8.29	5.95	3.01	0.30	0.26
- Diluted (Rs.)	B (ii)/L	8.29	5.95	3.01	0.30	0.26
Return on Net worth (%)	B (i)/A	37.96%	38.16%	27.83%	3.62%	3.17%
Net Asset Value per Share as at year / period ended (Rs.)	A/G	21.82	15.36	10.81	8.29	8.35

- i) 33,49,488 Equity Shares of Rs. 10 each have been allotted as fully paid up Bonus shares in the ratio of 1 : 1 on March 27, 2008, by way of capitalization of Surplus available from P & L account Rs. 92,03,870/- and Share Premium Account Rs. 2,42,91,010/-. As a result, the issued, subscribed and paid up capital of the Company has increased from Rs. 3,34,94,880/- to Rs. 6,69,89,760/-
- ii) On June 20, 2009, the company has made preferential allotment of 24,712 Equity Shares of Rs. 10/- each, resulting in increase in Equity Share Capital from Rs.8,99,58,380/- to Rs.9,02,05,500/-
- iii) 30,06,850 Equity Shares of Rs. 10 each have been allotted as fully paid up Bonus shares in the ratio of one share for every three shares held on October 30, 2009, by way of capitalisation of Surplus available from P & L account (Rs. 3,00,68,500/-) . As a result, the issued, subscribed and paid up capital of the Company has increased from Rs. 9,02,05,500/- to Rs. 12,02,74,000/-
- iv) Earning per share is calculated in accordance with Accounting Standard 20 on 'Earning per Share', issued by the Institute of Chartered Accountants of India.

Ratio has been computed as follows :-

1	Return on Equity (%) (ROE)	<u>Net profit after tax as restated</u>
		<u>Net Worth at the end of the year</u>
2	Net Asset Value Per Share (NAV) (Rs.)	<u>Net Worth at the end of the year</u>
		<u>No. of Equity shares outstanding during the year</u>
3	Earning Per Share (EPS) (after Extra Ordinary items) (Rs.)	<u>Net profit after tax as restated attributable to Equity Shareholders</u>
		<u>Weighted average no. of Equity shares outstanding during the year</u>
4	Earning Per Share (EPS) (before Extra Ordinary items) (Rs.)	<u>Net profit after tax but before extra ordinary items as restated attributable to Equity Shareholders</u>
		<u>Weighted average no. of Equity shares outstanding during the year</u>



Annexure XIII-A
Standalone Details of Capitalisation Statement

(Rs. in Lacs)

Particulars	Pre - Issue		Post Issue *
	31-Mar-09	31-Mar-10	
Borrowings			
Short Term Debts	3788.10	6573.28	[*]
Long Term Debts	946.30	1633.60	[*]
Total Debts	4,734.41	8,206.87	[*]
Shareholder's Fund			
Equity Share Capital	899.58	1,202.74	[*]
Reserve & Surplus	1,044.31	1663.66	[*]
Less :- Revaluation Reserve	37.89	28.39	
Less :- Misc. Expenditure not written off	63.82	213.80	[*]
Total Shareholder's Fund	1,842.17	2624.20	[*]
Debt Equity Ratio	2.57	3.13	[*]

Notes

1. The Debt / Equity ratio is calculated on Total Debt instead of Long Term Debt to Equity ratio, to present the prudent and conservative ratio as the Company does not have any material Long Term Debts.
2. Short Term Debts are debts repayable within a period of 12 months.
3. Short Term Debt includes Working Capital Loans & Unsecured Loans.
4. Long Term Debt includes Term Loans & Vehicle Loans.

Annexure XIV-A
STATEMENT OF TAX SHELTER

(Rs. In Lacs)

Particulars	For the Year Ended				
	Mar.31 st , 2010	Mar.31 st , 2009	Mar.31 st , 2008	Mar.31 st , 2007	Mar.31 st , 2006
Rate of Tax	33.99%	33.99%	33.99%	33.66%	33.66%
A. PROFIT BEFORE TAX AS RESTATED (A)	1526.30	1,077.03	482.90	59.03	29.49
NOTIONAL TAX ON BOOK PROFIT	518.79	366.08	164.14	19.87	9.93
ADJUSTMENTS :-					
B. PERMANENT DIFFERENCES :-					
Expenses Written Off	0.00	0.00	0.00	0.00	0.00



Particulars	For the Year Ended				
	Mar.31 st , 2010	Mar.31 st , 2009	Mar.31 st , 2008	Mar.31 st , 2007	Mar.31 st , 2006
Goodwill	3.48	8.65	8.60	0.00	0.00
Dividend Income Exempt u/s10(34)	0.00	0.00	(3.10)	0.00	0.00
Donations	0.00	0.00	6.27	0.12	0.27
Expenses Disallowances	26.56	0.00	0.00	0.00	0.00
<u>Others</u>					
Expenses Differed in Books allowable in Current Year	(89.41)	(66.94)	0.00	6.12	(4.48)
Profit on sales of assets	0.00	0.00	(5.19)	0.00	0.00
Loss on sales of Assets	0.00	10.84	0.00	0.00	0.00
Amalgamation Expenses	0.00	(0.81)	(4.60)	0.00	0.00
TOTAL PERMANENT DIFFERENCES (B)	(59.37)	(48.25)	1.98	6.24	(4.21)
C. TIMING DIFFERENCE :-					
Depreciation	(238.91)	(141.70)	(289.22)	(14.04)	35.85
Defered Expenses Written off	44.84	17.82	2.95	6.57	6.30
Prior Period Expenses		0.00	0.00	0.23	103.08
Tax,Duty and other sum u/s. 43B	0.00	0.00	0.00	0.00	(4.21)
Others	0.00	0.00	(3.25)	(6.68)	3.60
Adjustments for brought forward losses/	0.00	0.00	(31.04)	0.00	0.00
Unabsorbed depreciation (utilized)/ created	0.00	0.00	(161.66)	0.00	(57.70)
TOTAL TIMING DIFFERENCE (C)	(194.07)	(123.88)	(482.23)	(13.92)	86.92
D. NET DIFFERENCES (B) + (C)	(253.44)	(172.13)	(480.24)	(7.68)	82.71
E. TAXABLE INCOME AS PER AS PER IT RETURN	1272.86	904.91	2.66	51.34	112.20
(A) + (D)					
F. TAX AS PER INCOME TAX RETURN U/S 115 JB MAT					
Tax Rate u/s 115 JB	15%	10%	11.33%	11.22%	8.42%



Particulars	For the Year Ended				
	Mar.31 st , 2010	Mar.31 st , 2009	Mar.31 st , 2008	Mar.31 st , 2007	Mar.31 st , 2006
Tax u/s. 115 JB	228.95	107.70	4.81	5.90	2.48
<u>TOTAL TAX AS PER RETURN</u>	**432.65	267.54	54.44	17.28	37.77
G .CARRIED FORWARD LOSSES / UNABSORBED DEPRECIATION AT THE YEAR END	0.00	0.00	2.39	0.00	0.00

** For the FY 2009-10, Income Tax Return is yet to be filed, the due date for filing of return for FY 2009-10 is 30th September 2010, hence figure of tax is taken as per computation of income derived by the company.



**Annexure XV-A
Statement of Investments**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Long Term					
Govt Security (Unquoted)					
National Saving Certificate (Pledged with Govt Dept.)	0.10	0.15	0.15	0.05	0.05
Equity Shares (Non Trade, Unquoted)					
50 Fully Paid up Equity shares of Steel Chamber	0.01	0.01	0.01	0.01	0.01
2111 Fully Paid up Equity shares of Sinnar Taluka Industries Co-Operative Estate	0.01	0.02	0.02	0.02	0.02
250 Fully Paid up Equity shares of Shamrao Vitthal Bank	0.03	0.03	0.03	0.03	0.03
500 Fully Paid up Equity shares of Saraswat Co-Operative Bank	0.05	0.05	-	-	-
100026 Fully Paid up Equity shares of Nashik Peoples Co-Operative Bank	-	-	-	1.00	1.00
3620 Fully Paid up Equity shares of Nashik Merchant Co-Operative bank	0.36	0.36	0.36	0.36	0.36
355756 Fully Paid up Equity shares of Ashoka Pre-con Private Limited	140.83	0.49	-	-	-
542000 Fully Paid up Equity shares of Kamalasha Infrastructure and Engineering Private Limited	51.21	-	-	-	-
4900 Fully Paid up Equity shares of Pre-crete Technologies Private Limited	-	0.49	-	-	-
600 Fully Paid up Equity shares of KRBTA Unison Consultancy Private Limited	-	0.06	0.51	0.51	-
Mutual Funds					
Franklin India Blue Chip Fund (NAV Rs. 28082)	0.90	0.60	0.30	0.00	-
Franklin India Opportunity Fund (NAV Rs. 27098)	0.90	0.58	0.30	0.00	-
Franklin India Prima Plus Fund (NAV Rs. 28263)	0.90	0.60	0.30	0.00	-
Hdfc Prudence Fund (NAV Rs. 25417)	0.88	0.58	0.28	0.00	-
Hdfc Top-200 Fund (NAV Rs. 26111)	0.88	0.58	0.28	0.00	-
ICICI Prudential Flexi Growth Fund	2.00	2.00	2.00	0.00	-
Principal Pnb Long Term Equity Fund	5.00	5.00	5.00	5.00	-
Reliance Equity Opportunity Fund (NAV Rs. 19461)	0.85	0.55	0.25	0.00	-
Bajaj Allianz	0.00	2.40	2.40	1.60	0.80
Standard Chartered Equity Fund	1.00	1.00	1.00	1.00	-
SBI Magnum Contra Fund (NAV Rs.	0.90	0.60	0.30	0.00	-



Particulars					
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
23635)					
SBI Magnum Global Fund (NAV Rs. 28792)	0.88	0.60	0.28	0.00	-
Sundaram BNP Paribas Select Midcap (NAV Rs.24735)	0.88	0.58	0.28	0.00	-
DSP Merrill Lynch Opportunity Fund	0.00	0.00	0.10	0.10	-
Fidelity Equity Fund	0.20	0.20	0.61	0.61	0.20
Reliance Infra Fund	0.49	-	-	-	-
Reliance Growth Fund (NAV Rs.63450)	0.85	0.55	0.75	0.50	-
Franklin India Equity Fund	0.60	0.60	0.60	0.00	-
UTI Infrastructure Fund	0.50	0.50	0.50	0.00	-



**Annexure XVI-A
List of Related Parties**

Sr.	Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06	31-Mar-05
I	Individual having control with relatives and associates						
a	Director	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,
b	Director	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,
c	Director	Mr. K R Bedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha
II	Board of Directors and Key Managerial Persons related to directors						
a	Director	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,	Mr. Vijay K. Vedmutha,
b	Director	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,	Mr. Ajay K. Vedmutha,
c	Director	Mr. K R Bedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha	Mrs. Usha V. Vedmutha
d	Director (Non executive)	Mr. Shital Nahar	Mr. Shital Nahar	Mr. Shital Nahar			
e	Director (Non executive)	Mr. A Balasubraman ium	Mrs. Asha Rasiklal Shetiya	Mrs. Asha Rasiklal Shetiya			
f	Director (Non executive)	Mr. Narayan Kadu					
g	Others	Vinita Vedmutha	Vinita Vedmutha	Vinita Vedmutha	Vinita Vedmutha	Vinita Vedmutha	Vinita Vedmutha
h	Others		K R Bedmutha	K R Bedmutha	K R Bedmutha	K R Bedmutha	K R Bedmutha
III	Entities owned or significantly influenced by Directors and/or key management personnel or their relatives and with whom Company has entered into transactions during the period under review.						
a	A Partnership firm in which some of the directors are partners	Kreepa Steel Industry	Kreepa Steel Industry	Kreepa Steel Industry	Kreepa Steel Industry	Kreepa Steel Industry	Kreepa Steel Industry
		Elme Plast Co.	Elme Plast Co.	Elme Plast Co.	Elme Plast Co.	Elme Plast Co.	Elme Plast Co.
		Bedmutha Agro Farms	Bedmutha Agro Farms	Bedmutha Agro Farms	Bedmutha Agro Farms	Bedmutha Agro Farms	Bedmutha Agro Farms
b	Joint Ventures	Ashoka Precon Private Limited (49%)	Ashoka Precon Private Limited (49%)				
		Precrete Technologies Private Limited (49%)	Precrete Technologies Private Limited				



Sr.	Particulars	31-Mar-10	31-Mar-09 (49%)	31-Mar-08	31-Mar-07	31-Mar-06	31-Mar-05
	c Associate Company	Bedmutha Sons Reality Ventures Private Limited	KRBTA Unison Consultancy Private Limited	Kamalasha Infrastructure and Engineering Private Limited	Ajay Wire Products Private Limited	Ajay Wire Products Private Limited	Ajay Wire Products Private Limited
		KRBTA Unison Consultancy Private Limited	Bedmutha Sons Reality Ventures Private Limited	Bedmutha Sons Reality Ventures Private Limited	Kamdhenu Wire Private Limited	Kamdhenu Wire Private Limited	Kamdhenu Wire Private Limited
					Shriram Wire Private Limited	Shriram Wire Private Limited	Shriram Wire Private Limited
	d Subsidiary Company	Kamalasha Infrastructure and Engineering Private Limited	-	KRBTA Unison Consultancy Private Limited	KRBTA Unison Consultancy Private Limited		
	e Associates-Proprietary	Kamal Wire Products	Kamal Wire Products				
IV Entities owned or significantly influenced by Directors and/or key management personnel or their relatives and with whom Company has not entered into any transactions during the period under review.							
	a Associates-Proprietary	-	-	-	Vinita Computers	Vinita Computers	Vinita Computers
		-	-	-	Jagruti Architect	Jagruti Architect	Jagruti Architect
	b Associate Company	Bedmutha Sons Reality Ventures Private Limited	KRBTA Unison Consultancy Private Limited	Kamalasha Infrastructure and Engineering Private Limited	Kamalasha Infrastructure and Engineering Private Limited		
		KRBTA Unison Consultancy Private Limited	Bedmutha Sons Reality Ventures Private Limited	Bedmutha Sons Reality Ventures Private Limited	Bedmutha Sons Reality Ventures Private Limited		



**Annexure –XVIIA
Transaction With Related Parties**

(Rs. In Lacs)

Sr. No.	Particulars						
			31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	In relation to I & II above						
	a	Remuneration Paid	53.34	38.79	45.00	25.00	8.46
	b	Rent	3.03	1.10	9.84	5.28	9.06
2	In relation to III & IV above						
	a	Sale of goods	536.26	8.97	235.18	892.24	683.57
		Service Charges Receipt	10.71	78.83	17.06	0.60	0.60
	b	Purchase of goods	10.95	6.26	355.85	1,187.05	1,139.58
		Purchase of job work	1.62	-	-	141.59	185.32
	c	Loan taken by Company	-	-	-	67.57	118.41
	d	Loan given by Company	76.49	136.49	14.18	76.95	58.43
	e	Advances given by Company	353.55	354.78	250.32	3.62	2.44
	f	Advances from Customers	-	2.03	8.45	-	4.95



Annexure XVIII-A
INFORMATION ABOUT BUSINESS SEGMENT (DIVISION WISE)

Sr.	Particulars	31-Mar-06			(Rs. In Lacs)
		Wire Division	Consultancy Division	Testing Division	Total
1	Revenue	4,713.29	252.00	1.65	4,966.95
2	Profit before Tax (PBT)	(35.06)	66.49	(1.94)	29.49
3	Depreciation	74.33	4.91	0.16	79.40
4	Segment Assets	2,936.92	332.84	39.04	3,308.80
5	Segment Liabilities	262.01	45.80	6.48	314.29
6	Capital Expenditure incurred during the year	21.85	20.78	-	42.63
					(Rs. In Lacs)
Sr.	Particulars	31-Mar-07			
		Wire Division	Consultancy Division	Testing Division	Total
1	Revenue	6,970.53	256.46	24.57	7,251.56
2	Profit before Tax (PBT)	12.69	39.80	6.56	59.05
3	Depreciation	77.40	7.00	0.16	84.55
4	Segment Assets	3,422.48	372.71	38.08	3,833.26
5	Segment Liabilities	133.02	49.17	12.11	194.30
6	Capital Expenditure incurred during the year	196.95	17.98	-	214.93
					(Rs. In Lacs)
Sr.	Particulars	31-Mar-08			
		Wire Division	Consultancy Division	Testing Division	Total
1	Revenue	11,141.93	312.32	-	11,454.25
2	Profit before Tax (PBT)	465.88	29.53	(12.51)	482.90
3	Depreciation	207.74	8.30	0.21	216.25
4	Segment Assets	6,619.30	328.85	14.98	6,963.13
5	Segment Liabilities	926.91	44.19	7.79	978.90
6	Capital Expenditure incurred during the year	1,846.46	4.26	-	1,850.72

(Rs. In Lacs)

Sr.	Particulars	31-Mar-09		
		Wire Division	Consultancy Division	Total
1	Revenue	14,190.65	488.28	14,678.93
2	Profit before Tax (PBT)	678.79	398.24	1,077.03
3	Depreciation	262.23	2.21	264.44
4	Segment Assets	7,904.15	340.86	8,245.00
5	Segment Liabilities	1,037.35	10.62	1,047.97
6	Capital Expenditure incurred during the year	816.16	-	816.16



Note:

Since there was no significant transaction in Testing Division, the same has not been reported for in Segment Reporting as on 31st March, 2009.

Since there was no significant transaction in Consultancy Division & Testing Division, the same has not been reported as on 31st Mar, 2010.

**Annexure XIX-A
DIVIDEND**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Dividend payout					
Equity Shares in Number	12,027,400	8,995,838	3,349,488	3,349,488	3,349,488
Share Capital Amount	120,274,000	89,958,380	33,494,880	33,494,880	33,494,880
Face Value	10	10	10	10	10
Rate of Dividend	5%	10%	10%	10%	NA
Amount of Dividend	#60,13,700	8,995,838	3,349,488	3,349,488	Nil

Proposed Dividend for FY 2009-10 @ 5%

**Annexure I-B
SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED**

(Rs. In Lacs)

Particulars	As on				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
A. Fixed Assets					
Goodwill On Consolidation	4.34	-	-	-	-
Gross Fixed Assets	5350.77	3,986.58	3,140.72	1,282.16	1,087.12
Less : Accumulated Depreciation	1,988.50	1,607.06	1,377.93	713.27	628.64
Net Fixed Assets	3362.27	2,379.51	1,762.79	568.90	458.48
Less:- Revaluation reserves	28.39	37.89	47.39	-	-
Net Fixed Assets After Revaluation Reserves	3333.88	2,341.62	1,715.39	568.90	458.48
Capital Work in Progress	252.35	-	33.72	40.72	17.65
Total Fixed Assets	3590.57	2,341.62	1,749.12	609.61	476.13
B. Investments	126.97	19.06	16.07	10.26	2.46
C. Current Assets, Loans & Advances					
Sundry Debtors	4,948.55	2,165.74	1,713.95	1,152.28	1,102.14
Cash and Bank Balances	738.78	683.46	613.49	456.62	135.72
Other Current Asset	1,087.57	536.61	487.22	219.68	222.26
Loans and Advances / Others	2,277.81	867.72	575.64	339.77	174.76
Inventories	4,263.73	1,611.97	1,918.68	1,199.12	1,215.44
Total (C)	13,316.44	5,865.49	5,308.99	3,367.47	2,850.33
D. Liabilities & Provisions					
Minority Interest	202.70	-	15.39	(22.77)	-
Secured loans	8,359.24	3,815.54	3,646.57	2,390.09	1,685.61
Unsecured loans	1,157.33	918.87	818.45	481.19	469.61
Deferred Tax Liability (Net)	316.76	220.14	121.85	64.54	60.25
Current Liabilities	3,730.38	1,047.97	1,091.64	337.80	314.29



Particulars	As on				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Provisions	616.82	381.68	118.99	25.19	53.50
Share Application Money pending allotment	-	-	-	-	-
Total (D)	14,383.22	6,384.19	5,812.90	3,276.04	2,583.26
E. Net Assets (C-D)	(1,066.78)	(518.70)	(503.91)	91.42	267.07
F. Net Worth (A + B + E)	2650.76	1,841.98	1,261.28	711.30	745.66
Represented by					
Equity Share Capital	1,202.74	899.58	899.58	334.95	334.95
Reserve & Surplus	1690.31	1,044.11	420.10	382.48	423.02
Less:- Revaluation reserves	28.39	37.89	47.39	-	-
Total	2864.66	1,905.80	1,272.28	717.43	757.97
Less : - Miscellaneous Expenditure not w/off	213.90	63.82	11.00	6.13	12.31
G . Net Worth	2650.76	1,841.98	1,261.28	711.30	745.66

Note: The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated financial Statements as representing in Annexure IV-B to the Report.

Annexure II-B
SUMMARY OF CONSOLIDATED PROFIT AND LOSS AS RESTATED
(Rs. In Lacs)

Particulars	For the year/period ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
INCOME					
Sales & Operating Incomes					
- Manufactured Goods	13888.97	13,097.59	8,016.76	5,962.23	4,495.80
- Traded Goods	2,547.95	1,581.34	3,539.48	1,287.33	471.15
Export Sales	-	-	-	-	-
Other Income	17.55	6.46	30.42	0.59	9.31
Increase/(Decrease) in Inventory	1,341.03	480.72	(23.14)	(134.16)	316.22
Total Income	17,795.50	15,166.11	11,563.53	7,115.99	5,292.48
EXPENDITURE					
Raw Material Consumed	10,615.65	9,782.55	5,249.04	4,173.40	3,393.11
Cost of Traded Goods	1,936.07	1,466.65	3,440.13	1,240.40	469.51
Manufacturing Expenses	1,349.66	1,133.07	1,000.29	710.38	657.58
Payment & Provision for Employees	400.26	197.74	287.58	159.54	154.68
Administrative and Other Expenses	187.11	96.38	161.34	119.75	84.56
Miscellaneous Expenditure W/off	45.02	17.94	3.11	6.77	6.31
Selling and Distribution Expenses	308.77	276.49	259.84	376.01	167.21
Finance Cost	793.62	427.70	430.05	261.12	153.03
Loss on Sale of Investment / Asset	-	10.84	-	-	-
Depreciation & Amortisation	371.83	264.44	216.67	84.63	79.40



Particulars	For the year/period ended				
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Consolidated	Standalone
Forex (Gain) / Loss	(71.35)	415.27	(2.66)	(23.51)	(4.27)
Total Expenditure	15,936.64	14,089.08	11,045.40	7,108.48	5,161.11
Profit for the Period	1,858.85	1,077.03	518.13	7.52	131.36
(Add) / Less : Prior Period Items	-	-	0.20	0.23	101.87
Profit Before Tax	1,858.85	1,077.03	517.92	7.28	29.49
(Add) / Less : Provision for Tax					
Current Tax	544.00	271.56	55.05	24.65	26.00
Fringe Benefit Tax	(0.47)	4.26	6.00	3.47	4.50
Wealth Tax	-	-	-	-	-
Deferred Tax Liability / (Assets)	96.62	98.29	64.42	4.29	(24.62)
PROFIT AFTER CURRENT TAX	1,218.70	702.93	392.45	(25.13)	23.61
Balance brought forward from previous year	977.25	379.12	96.69	160.11	136.50
NET PROFIT AVAILABLE FOR APPROPRIATION	2,195.95	1,082.05	489.14	134.98	160.11
(Add) / Less :					
Minority Interest	164.04	-	15.19	(22.88)	-
Appropriation					
Proposed Dividend on Equity Shares	60.14	89.96	33.44	33.48	-
Tax on Dividend	10.22	14.84	5.69	4.81	-
Edu Cess On Dividend Tax (08-09)	0.45	-	-	-	-
Transfer to General Reserves	-	-	-	-	-
Capitalized during the year for Bonus Shares	300.69	-	92.04	-	-
Addition on Amalgamation	-	-	(0.75)	-	-
Balance carried forward as restated	1,660.41	977.25	343.53	119.57	160.11

Note:

1. The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated financial Statements as representing in Annexure IV- B to the Report.

Annexure III-B
CONSOLIDATED STATEMENT OF CASH FLOW AS RESTATED

(Rs. In Lacs)

Particulars		For the year/period ended				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Consolidated	Standalone
A	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit Before Tax and Extra Ordinary items	1,858.85	1,087.88	517.92	7.28	29.49
	Adjustment For					
	Add : Depreciation	371.83	264.44	216.67	84.63	79.40
	Preliminary	-	-	-	-	-



Particulars			For the year/period ended				
			31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
			Consolidated	Standalone	Consolidated	Consolidated	Standalone
		Expenses written off					
		Prior Period Expense			0.20	0.23	-
		Deferred Revenue Expenses written off	45.02	17.94	3.11	6.77	6.31
		Interest (net)	793.62	427.70	430.05	261.12	153.03
	Less:	Profit on Sale of Investment			-		
		Dividend			-		
					-		
		Operating Profit Before Working Capital Changes	3,069.32	1,797.96	1,167.95	360.03	268.23
		Adjustment for working capital changes					
		Adjustment for working capital changes					
		Income Tax (Paid) / Refund	5.35	-		-	-
		TDS Paid	(343.08)	(72.76)	(49.90)	(16.99)	(15.12)
		TDS (Paid)/ Refund Prev Year	(201.19)	(18.55)	(15.49)	(30.36)	(1.87)
		(Increase) / Decrease in Trade & Other Receivables	(2,782.81)	(410.43)	(473.87)	(50.14)	(255.03)
		(Increase) / Decrease in Advance to Suppliers / Creditors	-	-	-	-	-
		(Increase) / Decrease in Other Current Assets	(313.02)	(58.63)	(97.38)	(6.24)	(57.61)
		(Increase)/Decrease in Misc Exp Assets	(194.98)	(71.06)	(7.89)	(0.98)	
		Increase / (Decrease) in Trade Payable	2,582.70	27.80	534.07	(135.37)	(69.96)
		Increase/(Decrease in Outstanding Expenses	99.71	41.27	216.06	158.88	11.72
		(Increase) / Decrease in Loans and Advances	(1,412.61)	(277.74)	(172.18)	(165.00)	(102.11)
		(Increase) / Decrease in Inventories	(2,651.76)	306.71	(389.01)	16.32	(672.52)
		Working capital changes	(5,211.69)	(533.39)	(455.59)	(229.88)	(1,162.50)
		Adjustment for Extra Ordinary Transactions					
		Loss on Sale Of Investment		(10.84)			
		Net Cash used / generated		1,253.73	712.36	130.15	(894.27)



Particulars		For the year/period ended				
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Consolidated	Standalone
for / from Operations		(2,142.37)				
B	CASH FLOW FROM INVESTING ACTIVITIES					
	Purchase of Fixed Assets / Capital Work In Progress	(1,631.76)	(954.61)	(1,013.61)	(218.11)	(42.62)
	Investments made	(167.64)	(13.51)	21.24	(7.80)	(1.00)
	Sale/Discarding of Fixed Assets	-	104.73	-	-	-
Net Cash used in Investing Activities		(1,799.40)	(863.39)	(992.37)	(225.91)	(43.62)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	Increase/ (Decrease) Proceeds form Long Term Borrowings	693.60	129.88	316.80	26.35	202.63
	Proceeds form Short Term Borrowings	3,850.11	39.08	413.12	678.14	881.10
	Increase/ (Decrease) Proceeds form Unsecured Borrowings	238.46	112.78	137.51	11.58	19.45
	Interest Paid	(793.62)	(427.70)	(430.05)	(261.12)	(153.03)
	Proceed from Issue of Equity Shares	2.47	-	-		-
	Dividend Paid + Taxes	(105.25)	(39.13)		(38.29)	
	Share Premium received on Issue of Equity Shares	5.34	-		-	-
	Capital Incentive	15.00	-	20.00	-	-
Net Cash generated from other sources		3,906.11	(185.09)	457.38	416.66	950.15
Net Increase / (Decrease) in Cash & Cash Equivalents		(35.66)	205.25	177.37	320.90	12.26
Cash & Cash Equivalents - Opening Balance		774.44	478.21	436.12	135.72	123.46
Cash & Cash Equivalents - Closing Balance		738.78	683.46	613.49	456.62	135.72



	Summary	31/03/2010	31/03/2009	31/3/2008	31/03/2007	31/03/2006
A)	CASH FLOW FROM OPERATING ACTIVITIES	(2142.37)	1253.73	712.36	130.15	(894.27)
B)	CASH FLOW FROM INVESTING ACTIVITIES	(1799.40)	(863.39)	(992.37)	(225.91)	(43.62)
C)	CASH FLOW FROM FINANCING ACTIVITIES	3906.11	(185.09)	457.38	416.66	950.15
	Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(35.66)	205.25	177.37	320.90	12.26

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3 on Cash Flow Statements as issued by the ICAI.

Annexure IV-B

NOTES ON ADJUSTMENTS AND SIGNIFICANT ACCOUNTING POLICIES FOR RESTATED FINANCIAL STATEMENTS

Significant Accounting Policies

(a) Basis of Preparation of financial statements

- I. The financial statements of the company have been prepared under the historical cost convention on an accrual basis, applicable Accounting Standards and relevant provisions of the Companies Act, 1956.
- II. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company

(b) Fixed Assets & Depreciation / Amortisation

- I. Fixed assets (including Capital Work In Progress) are stated at historical cost including any attributable cost including taxes & other duties, freight, installation & other direct or allocable expenses and related borrowing cost on qualifying assets for bringing the respective asset to its working condition for its intended use but net of cenvat credit wherever applicable.
- II. Depreciation is provided as per the straight-line method at the rates provided in schedule XIV of the Companies Act, 1956. Depreciation on addition to fixed asset or on sale/ discardment is calculated on pro-rata basis from date of such addition or upto the date of sale/ discardment as the case may be. However, cost of Leasehold land is not amortised and is shown at cost.
- III. The charge over and above the depreciation calculated on original cost of the revalued assets is transferred from Revaluation Reserve to Depreciation Account (Profit & Loss Account).
- IV. In case of new project & in case of substantial modernization/ expansion at existing units of the company, all pre-operative expenditure specifically for the project, incurred upto the date of completion is capitalized and added pro-rata to the cost of fixed assets.
- V. Goodwill is amortised at 10% on Straight Line method.
- VI. Pursuant to accounting standard 28 " Impairment of Assets" issued by the ICAI, The Company has a system to review the carrying cost of all the assets vis-à-vis recoverable value and impairment loss, if



any is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of recoverable amount.

(c) Investments

- I. Long term Investments are stated at cost of acquisition. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management. The cost of investment includes brokerage etc.

(d) Foreign Currency Transactions:

- I. All foreign Currency Transactions are initially recognized at the exchange rates on the date of transactions.
- II. Exchange difference arising on the settlement of monetary items was recognized as income/ expenses.
- III. Monetary items and contingent liabilities as on the date of Balance Sheet are stated at the closing rate.

(e) Inventories

- I. Inventories of Raw Materials, Work In Progress, Finished Goods (including Goods for Trade) are valued at cost or net realizable values whichever is lower, except Scrap, which is valued at estimated realizable value as assessed by Management.
- II. Major Consumables (Stores & Spares) like LDO, lead, dies, etc. are valued at cost and Other Minor Consumables (Stores & Spares) are written off in the year of purchase.
- III. In determining the cost of raw material, stores, spares and other materials, cost is ascertained on FIFO method. Inventory of Finished products includes material cost, labour and factory overheads and excise duty.

(f) Employee Retirement Benefits

- I. The Company's contribution in respect of Provident Fund is charged to Profit & Loss Account every year.
- II. Provision of gratuity as on the balance sheet date is accounted on Actuarial basis by an independent actuary and Company's contribution to the Group Gratuity Scheme of Life Insurance Corporation of India are charged against the revenue every year.
- III. Liability for leave outstanding as on the balance sheet date and other benefits are accounted on payment basis.

(g) Liquidated Damages

- I. Liquidated damages / Penalties, if any are provided whenever there is a claim from party and when the same is accepted by the company.

(h) Taxation

- I. Income tax expenses comprises current tax, FBT & deferred tax charges or credit.
- II. Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax. The net effect has been added under the head Provision for Tax.
- III. Provision for FBT is made on the basis of the fringe benefits provided or deemed to have been provided during the year at the rates and values applicable to the relevant assessment years. Excess / Short Provision is adjusted in subsequent years.



(i) Preliminary Expenses

- I. Preliminary expenses are written off over a period of five years.

(j) Pre-operative Expenditure

- I. Pre-operative expenditure incurred prior to commencement of business operations of any division is written off over a period of five years.

(k) Deferred Revenue Expenditure

- I. Major Repairs and Maintenance to Plant & Machinery is written-off to the profit and loss account over a period of Five years.
- II. ROC expenses for raising Authorised Capital

(l) Accounting for taxes on Income (AS 22)

- I. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The same is accounted for, using the tax rates as on balance sheet date. Deferred Tax Assets are recognized only when there is virtual certainty of their realization.

(m) Insurance Claim

- I. Insurance and other claims to the extent considered recoverable are accounted for in the year of claim based on the amount assessed by the surveyor. However, claims and refund whose recovery cannot be ascertained with reasonable certainty, are accounted for on acceptance/actual receipts basis.

(n) Earning per Share

- I. Basic Earning per Equity Share is calculated by using weighted average number of Equity Shares outstanding during the period.
- II. Diluted Earning Per Share is calculated by using weighted average number of Equity Shares.
- III. In case of any fresh allotment or any other corporate action during the year affecting number of outstanding shares, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of Bonus issue, the issue is treated as outstanding since the beginning of the year.

(o) Revenue recognition

Revenue on sales of goods is recognized on transfer of significant risk & rewards of ownership which is generally on dispatch of goods. Gross sales are stated inclusive of excise duty, service tax, value added tax, but net of returns and trade discounts.

Income from Services is recognized on completion of services or part completion of assignment as per Contract All expenses are accounted for on accrual basis unless otherwise specified. Dividend income is recognised on establishment of right to receive.



(p) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes, Contingent Assets are neither recognised nor disclosed in the financial statements.

(q) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other Borrowing cost is recognised as an expense in the period in which they are incurred.

(r) Related Party Transaction

Parties are considered to be related if at any time during the year, one party has the ability to control the other party or to exercise significant influence over the other party in making financial and / or operating decision.

(s) Use of Estimates

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates which are reported in the period in which the result is known.

Notes to Consolidated Accounts

Material Regroupings

Following regroupings has been made to keep in line previous year's figures with latest audited financial statements :

- a) Upto financial year ended 31st March 2008, the company has been showing "Interest Income" separately under the head Other Income. From the financial year 31st March 2009, the company has deducted "Interest Income" from "Interest Expenses" under the head Interest & Other Financial Charges. The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.
- b) Upto financial year ended 31st March 2008, the company has been showing "Increase or Decrease in Inventories" under separate head in Profit and Loss Account. From financial year ended 31st March 2009, the company has changed the policy and has shown the amount under "Material, Manufacturing Exp. & Others". The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- c) Upto financial year ended 31st March 2008, the company has been showing "Material Cost" inclusive of Trading Goods in the Profit and Loss Account. From financial year ended 31st March 2009, the company has changed the classification by separately showing "Trading Goods" and "Manufacturing Goods". The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.



- d) For financial year ended 31st March 2009 and, the company has been showing "Forex (Gain) / Loss" in respect of "Purchase Of Raw Material" under "Material, Manufacturing Exp. and Others". In the summary statement of Profit & Loss Account as restated for financial year ended 31st March 2009 and, the company has shown the same separately under the head "Forex (Gain) / Loss".
- e) Upto financial year ended 31st March 2007, the company has been showing "Professional Charges and Testing charges" in respect of "Material, Manufacturing and Others" related to K R Bedmutha Techno Associates (Division of Bedmutha Industries Limited) under Selling and Administrative expenses. From financial year ended 31st March 2008, the company has changed and clubbed the amount under "Manufacturing / Direct Expenses" under "Material, Manufacturing Exp. & Others". The summary statement of Balance Sheet as restated for the financial year ended 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- f) Upto financial year ended 31st March 2008, the company has been showing "Personnel Cost" under Selling and Administrative Expenses. From financial year ended 31st March 2009, the company has changed the classification by separately showing "Personnel Cost". The summary statement of Profit and Loss Account as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.
- g) Upto financial year ended 31st March 2008, the company has been showing "Deferred Revenue Expenditure written off and Preliminary Expenses written off" under the head Administrative and Selling Expenses. From financial year ended 31st March 2009, the company has changed and clubbed the amount and shown under the head "Miscellaneous Expenses Written off" " in Profit and Loss Account. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.
- h) In Financial Year 2005-2006 & 2006-2007, Capital Work In Progress was included in Gross Block of Fixed Assets. From Financial Year 2007-2008 Gross Block of Fixed Asset has been restated excluding Capital WIP. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- i) For Financial Year 31st March 2010 and Upto financial year ended 31st March 2008, the company has been showing "Credit Balance of Current A/C's" under the head Current Liabilities & Provisions. From financial year ended 31st March 2009, the company has changed and clubbed the amount with "Cash & Bank Balance" under the head Current Assets, Loans & Advances. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2010, 31st March 2008, 31st March 2007, 31st March 2006 has been reclassified and shown accordingly.
- j) Upto financial year ended 31st March 2008, the company has been showing "Outstanding Expenses" under the head "Provisions". From financial year ended 31st March 2009, the company has changed and clubbed the amount under separate head "Outstanding Expenses" under the head Current Liabilities. The summary statement of Balance Sheet as restated for the financial year ended 31st March 2008, 31st March 2007, 31st March 2006, has been reclassified and shown accordingly.

Principals of Consolidations

The Consolidated Financial Statements comprise the Consolidated financial statements of Bedmutha Industries Limited previously known as Bedmutha Wire Com Limited ("the Company") and its Subsidiary Company. The consolidated financial statements have been prepared on the following basis:

1. The financial statements of the Company and its subsidiary company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions and balances resulting in unrealised profits



- or losses in accordance with Accounting Standard (AS)21-"Consolidated Financial Statements" issued by the Institute Of Chartered Accountants of India.
2. The consolidated financial statements have been prepared using uniform accounting policies for like material transactions and other events in similar circumstances and are presented to the extent possible ,in the same manner as the Company's separate financial statements.
 3. The difference between the cost of investment in the subsidiary company over the net assets as on the date of acquisition of shares in the Subsidiary is recognised in the consolidated financial statements as Goodwill or Capital reserve on consolidation as the case may be.
 4. Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholder's of the Company.
 5. Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate.
 6. On 22nd December 2006, the company has acquired 5100 Equity Shares of Rs. 10 each, Fully Paid in KRBTA Unison Consultancy Private Limited (KUCPL). KUCPL become subsidiary w.e.f 22nd December 2006.
 7. On 1st July 2008, out of said investment 4500 Equity Shares of Rs.10 each were sold at par and hence it ceases to be a subsidiary company.
 8. Initially, the company was holding 2300 shares of Rs. 10 each, fully paid in Kamalasha Infrastructure and Engineering Private Limited (KIEPL). On 7th July 2009, company received 29900 bonus shares of Rs. 10 each fully paid in ratio of 13 : 1.Subsequently, On 27th July 2009, the company has acquired 2,41,600 Equity Shares of Rs. 10 each, Fully Paid in KIEPL. On 27th July 2009 the Company is holding 2,73,800 Fully Paid Equity Shares of Rs. 10 each in KIEPL, representing 58% of KIEPL's Equity Share Capital. KIEPL become subsidiary w.e.f 27th July 2009.
 9. In October the company acquired at cost 2,68,200 Equity Shares of Rs. 10 each, Fully Paid in KIEPL in process of fresh allotment. As on 31st March 2010 the company has 54.74745% share holding in KIEPL.

(1) Secured Loans

- I. Term loans are secured by first pari-passu / equitable mortgage on entire block of assets of the company and the personal guarantee of Directors, Mr. Vijay Vedmutha, Mr. Ajay Vedmutha and Mrs. Usha Vedmutha and Guarantor Mrs. Vinita Vedmutha.
- II. Working Capital loans are secured by way of hypothecation of Current Assets namely Finished goods, raw material, Work in progress, consumables, book debts, receivables.
- III. Working Capital Loan of Subsidiary Company KIEPL is availed for funding for execution Sub-contract and secured by First charge over the entire project specific current assets both present & future excluding bought out items supplied by the Ashoka Buildcon - Tesla JV (ABT). Corporate guarantee of Bedmutha Wire Co. Ltd. & personal guarantee of Mr. Vijay Vedmutha & Mr. Ajay Vedmutha. Vehicle loans are secured by hypothecation of the concerned Vehicle.
- IV. Vehicle Loans are secured by the way of hypothecation of Vehicle purchased thereunder.
- V. In the opinion of the Board, current assets, loans and advances have a value at least equal to the amounts at which they are stated in the Balance Sheet, if realized in ordinary course of business.
- VI. During Financial Year 2009-10 October 2009 Rs. 0.45 lac Education Cess on Dividend tax pertaining to FY 2008-09 was made.

VII. Contingent Liabilities :- Annexure XI-B.



(2) Maximum Balance With Non-Schedule Bank held in Current Accounts

(Rs. In Lacs)

Sr.	Name of Bank	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Nasik People Co-Op Bank Ltd	-	-	-	0.31	9.94
2	Nasik People Co-Op Bank Ltd - Sinnar Br.	-	-	-	0.67	6.08
3	Nasik People Co-Op Bank Ltd - Nasik	-	-	-	1.40	1.40

(3) Value of Export Sales

(Rs. In Lacs)

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Export Sales	-	-	-	-	-

Note : the Company has made deemed export sales and Third Party Export, which are considered as domestic sales for the restated balance sheet

(4) Earning in Foreign Currency

(Rs. In Lacs)

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Export at FOB Value	-	-	-	-	-

(5) Expenditure in Foreign Currency

(Rs. In Lacs)

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Tour & Travelling Expenses	2.31	2.98	8.60	7.58	5.38
2	CIF Value Of Imports	4,163.36	3,739.48	2,515.53	1,888.50	687.43

(6) Auditors Remuneration

(Rs. In Lacs)

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Audit Fees	1.23	1.12	1.22	0.38	0.30
2	Internal Audit Fees	1.10	0.73	-	-	-
3	Tax Audit Fees	1.22	1.12	1.12	0.30	0.30
4	Certification work	3.20	0.06	0.36	0.06	0.04



(7) Payment to Directors

(Rs. In Lacs)

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Directors Salary & Contribution to Provident Fund					
	- Directors	43.74	27.00	27.00	15.00	6.06
2	Rent	3.03	0.83	8.47	8.04	7.80

(8) Sundry debtors include due from a firm/Company in which directors / relatives of directors of the company are partner / Proprietor / director

(Rs. In lacs)

Sr.	Types	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Amount due	235.61	262.40	52.44	207.78	140.18

(9) The major component of Deferred Tax Liability (Net) are given below:

(Rs. In Lacs)

Sr.	Type	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Deferred Tax Liability					
	a) Depreciation	331.90	215.51	173.41	61.52	60.55
	b) Deferred Revenue Expenses	15.24	4.62	0.94	2.21	2.12
	c) Disallowance u/s 43B & 40(a)(ia)	-	-	-	0.81	-
	d) Preliminary Expenses Written Off	-	-	-	-	-
		347.15	220.14	174.35	64.54	62.67
2	Deferred Tax Asset					
	a) Unabsorbed Depreciation of brought forward business loss	-	-	52.50	-	-
	b) Disallowance u/s 43B & 40(a)(ia)	30.39	-	-		2.42
		30.39	0	52.50	0	2.42
	Deferred Tax Liability (Net)	316.76	220.14	121.85	64.54	60.25

(10)Earning per share:- Annexure XII-B.

(11)Related Party transactions : - Annexure XVI-A

(12)Segment Reporting :- Annexure XIII-B.

The company has two business segments : Wire Division and Consultancy Division



(13) Installed Capacity and Production

(Qty. in MTPA)

Sr.		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
1	Installed Capacity					
	a) Wire Drawing Unit	60,000.00	60,000.00	42,100.00	18,000.00	18,000.00
	b) Galvanised Section	26,050.00	25,300.00	25,300.00	16,800.00	16,800.00
2	Actual Production					
	a) Wire Drawing Unit	33,872.42	26,797.01	19,792.15	16,058.89	16,401.13
	b) Galvanised Section	25,549.00	20,509.19	16,508.94	14,257.40	14,663.51
3	Percentage Utilization					
	a) Wire Drawing Unit	56%	45%	47%	89%	91%
	b) Galvanised Section	98%	81%	65%	85%	87%

Notes

- I. During the FY 2007-08, Wire Drawing Capacity increased by 24100 MT due to Merger of Shriram Wire Private Limited, and Galvanising Capacity was increase to 25300 due to addition of new line with production capacity of 8500 MT.
- II. During the FY 2009-10, The installed capacity in galvanised section has been increased from 25,300MT to 26,050 MT in March 2010. During the FY 2008-09, The installed capacity has increased from 42,100 MT to 60,000 MT in March 2009
- III. The installed capacity given for wire drawing unit is based on standard size of wire drawn in and out and the capacity gets reduced as the size of wire drawn becomes thinner
- IV. In March 2010, Galvanising Capacity was increased to 26050 MT due to addition of new line with production capacity of 750 MT per month
14. Based on the information availables with the company in respect of MSME (as defined in the Micro, Small and Medium Enterprise Development Act, 2006) there are no delays in payment of dues to such enterprises during the year. The above information regarding MSME has been determined to the extent such parties have been identified on the basis of the information available with the company. This has been relied upon by the auditors.

17. Details Of Unsecured Loan From Sales Tax

District Industrial Centre, Nashik has granted Sale Tax benefit vide Eligibility certificate Nos.

- DIC(i)/1993/Nasik/01198/Deferral/279 Dt.12.01.2001

- DIC(I)/1993/Nasik/0347/Deferral/1473 Dt.02.02.2006

- DIC(I)/1993/Nasik/1632/Deferral/12154 Dt. 22.10.2008

- DIC(I)/1993/Nasik/01273/Deferral/1477 Dt.02.02.2006

Western Maharashtra Development Corporation has granted Sales Tax Loan vide -
WMDC/PSGI/1988/BWC/836/NSK/EC Dt. 03.07.200



	(Rs. In Lacs)				
Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
Total Ceiling Limit	976.28	976.28	930.75	930.75	282.85
Opening Bal	805.40	687.56	391.04	339.32	323.85
Utilized During the year	158.65	117.84	296.52	51.71	15.48
Closing Balance	964.05	805.40	687.56	391.04	339.32

Note:

- (i) DIC has sanctioned vide DIC(i)/1993/Nasik/01198/Deferral/279 Dt.12.01.2001 and subsequent to that Department of Sales Tax has issued entitlement certificate No. 422103/S/R31B/923 valid upto for Rs. 533.82 lacs within a period of 117 months ending 30.11.2010 for Shriram Wire Pvt. Ltd. which was merged with Bedmutha Wire Co. Ltd. w.e.f 1st April, 2007 as per the High Court Order dt. 29th August, 2008
- (ii) DIC has sanctioned vide DIC(I)/1993/Nasik/0347/Deferral/1473 Dt.02.02.2006 and subsequent to that Department of Sales Tax has issued entitlement certificate No. 422103/S/R31B/1192 valid upto for Rs. 114.08 lacs for Kamdhenu Wire Pvt. Ltd. which was merged with Bedmutha Wire Co. Ltd. w.e.f 1st April, 2007 as per the High Court Order dt. 29th August, 2008
- (iii) DIC has sanctioned vide DIC(I)/1993/Nasik/1632/Deferral/12154 Dt. 22.10.2008 and subsequent to that Department of Sales Tax has issued entitlement certificate No. 27590050306V/S/R.81/1202 valid upto for Rs. 45.53 lacs or for the period 01.12.2008 to 31.05.2012, whichever is earlier for Ajay Wire Product Pvt. Ltd. which was merged with Bedmutha Wire Co. Ltd. w.e.f 1st April, 2007 as per the High Court Order dt. 29th August, 2008

(14) Merger of Companies

- (i) In terms of Scheme of Amalgamation (in nature of Merger) as approved by the Board of Directors of the Company in their meeting held on 21st March, 2008 and subsequently sanctioned by order dated 29th August 2008, of Honourable High Court of Mumbai following companies has been amalgamated with the Company w.e.f 1st April, 2007
 - a) Ajay Wire Products Pvt. Ltd.
 - b) Kamdhenu Wire Pvt. Ltd.
 - c) Shriram Wire Pvt. Ltd.

All the above mentioned companies were engaged in the business of manufacturing wire rods, wire products and allied activities
- (ii) Pursuant to the scheme of Arrangement and Amalgamation amongst the Company and above referred merged companies and their respective shareholders and creditors (the Scheme of Amalgamation) all the assets and liabilities of above referred merged companies were transferred to and vested in the Company with retrospective effect from 1st April ,2007 and the Scheme of Amalgamation has accordingly been given effect to in these accounts.
- (iii) In view of the order passed by the Hon. High Court of Mumbai making the merger effective w.e.f. 01-04-2007 the account for the financial year 2007-08 include the figures of erstwhile three companies mentioned hereinabove. Hence the figures for the current year are not comparable with those of the previous year.
- (iv) In accordance with the said scheme :-



- a) The assets ,liabilities , right and obligation of abovementioned companies vested in the Company w.e.f. 1st April, 2007 and have been recorded under 'pooling of Interest Method as prescribed by the Institute of Chartered Accountants of India in the accounting Standards No.14 -Accounting for Amalgamations. Accordingly, all the assets, liabilities and reserves of erstwhile merged companies as on 1st April 2007 have been taken over at their book values. There were no material differences between the accounting policies between the merged companies and the Bedmutha Wire Company Ltd. Rs.25,83,420 being the difference the amount of shares to be allotted to the shareholders of merged companies and the value of net assets acquired ,have been debited to the Reserve account.
- b) 2296862 Equity Shares of Rs.10 each are to be issued as fully paid-up to the shareholders of transferor companies without payment received in cash and pending allotment, these have been shown under the head "Share Suspense Account. Following are the details of shares to be issued to the shareholders of following merged companies :-
- 138 (one hundred thirty eight) new Equity shares of Rs. 10/- each in the Transferee Company (BWCL) are to be allotted as fully paid up for every 10 (Ten) Equity shares of Rs. 10/- each fully paid up and held by them in capital of Ajay Wire Products (P) Ltd.
 - 135 (one hundred thirty five) new Equity shares of Rs. 10/- each in the Transferee Company (BWCL) are to be allotted as fully paid up for every 10 (Ten) Equity shares of Rs. 10/- each fully paid up and held by them in capital of Kamdhenu Wire (P) Ltd.
 - 11 (Eleven) new Equity shares of Rs. 10/- each in the Transferee Company (BWCL) are to be allotted as fully paid up for every 10 (Ten) Equity shares of Rs. 10/- each fully paid up and held by them in capital of Shriram Wire (P) Ltd.

(15)Equity Share Capital

- (i) 2,211 Equity Shares of Rs. 100 each fully paid were allotted to Vijay Vedmutha against purchase of Plant and Machinery on 25th February 1993.
 - (ii) Company has subdivided the Equity Shares of Rs. 100/- each into Equity Shares of Rs. 10 each on 1st October 1998.
 - (iii) 75,000 Equity Shares of Rs. 10 each were issued as Bonus Shares in ratio of 3:1 on 27th March 1997.
 - (iv) 16,43,768 Equity Shares of Rs. 10 were allotted to Vijay Vedmutha against take over of Kamal Wire Drawings (Proprietor Mr. Vijay Vedmutha) on 1st October 1998.
 - (v) 50,000 Equity Shares of Rs. 10 each were allotted to Ajay Vedmutha for take over of Testing Engineers and Associates (Proprietor Mr. Ajay Vedmutha) on 1st April 2000.
 - (vi) 33,49,488 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1:1 on 27th March 2008.
 - (vii) 22,96,862 Equity Shares of Rs. 10 each fully paid up issued on 5th December 2008, to Shareholders of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited pursuant to Scheme of amalgamation.
 - (viii) 30,06,850 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1:3 on 31st October 2009.
- (16) We confirm that all the Notes to the Accounts, Significant Accounting Policies and Auditors Qualifications have been incorporated.



- (17) We confirm that there are no other material notes to the Auditors Report which has financial bearing on our company.

Annexure V-B
AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Receivables					
a) Other than Promoter Group					
More than six months	146.45	90.79	50.60	32.03	284.38
Less than six months	4,566.49	1812.55	1610.91	912.48	677.58
Total (a)	4,712.94	1,903.34	1,661.51	944.50	961.96
a) From Promoter Group					
More than six months	139.97	57.73	7.59	35.05	12.50
Less than six months	95.64	204.67	44.85	172.73	127.68
Total (b)	235.61	262.40	52.44	207.78	140.18
Total (a) + (b)	4,948.55	2,165.74	1,713.95	1,152.28	1,102.14

Annexure VI-B
DETAILS OF LOANS & ADVANCES

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Receivables from					
a) Promoter Group	352.80	283.12	242.00	22.60	21.82
b) Group Companies / Associates / Directors	86.51	208.16	22.13	41.91	39.04
c) Others	1,838.50	376.44	311.51	275.26	113.90
Total	2,277.81	867.72	575.64	339.77	174.77

Annexure VII-B
DETAILS OF SECURED LOANS

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Term Loan					
Bank of India	638.00	393.13	331.58	115.32	170.24
Punjab National Bank	1,541.29	409.41	282.64	118.23	190.54
Andhra Bank	428.59	124.42	164.72	143.74	0.00
Total (a)	2,607.88	926.96	778.94	377.29	360.78
Working Capital Loan					
Punjab National Bank	1,810.94	1032.93	1126.28	519.68	525.19
Bank of India Ltd	1,529.87	967.21	868.91	590.64	352.90
Andhra Bank	1,174.45	869.10	834.96	863.61	417.70



Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Consolidated	Standalone
Axis Bank	1,203.40	-	-	-	-
Total (b)	5,718.66	2,869.23	2,830.15	1,973.93	1,295.79
Vehicle Loan					
Kotak Mahindra Bank Ltd	-	0.21	0.43	2.56	4.83
Hdfc Bank Ltd	23.03	11.11	19.45	10.06	8.81
ICICI Bank Ltd	8.97	8.02	17.61	26.25	15.39
Bank Of India	0.70				
Total (c)	32.70	19.34	37.48	38.87	29.04
Total (a) + (b) + (c)	8,359.24	3,815.54	3,646.57	2,390.09	1,685.61

**Annexure VIII-B
DETAILS OF UNSECURED LOANS**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Consolidated	Standalone
Received from					
a) Promoter Group	0	0	0	0	0
b) Group Companies	0	0	12.36	78.69	118.41
c) Others					
1) Bank & Financial Institutions	84.28	104.47	107.06	0	0
3) DIC/WMDC	964.05	805.40	687.56	391.04	339.32
4) Others	109.00	9.00	11.47	11.47	11.88
Total Others	1,157.33	918.87	806.09	402.51	351.20
Total (a) + (b) + (c)	1,157.33	918.87	818.45	481.19	469.61

**Annexure IX-B
DETAILS OF OPERATING INCOME**

(Rs. In Lacs)

Particulars	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Consolidated	Standalone
Domestic Sale	16,436.91	14,678.93	11,556.25	7,249.56	4,966.95
Export Sale	-	-	-	-	-
Total	16,436.91	14,678.93	11,556.25	7,249.56	4,966.95



**Annexure X-B
DETAILS OF OTHER INCOME**

(Rs. In Lacs)

Particulars					
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Dividend Received	0.00	0.13	3.10	0.01	0.00
Miscellaneous Income	17.35	6.33	27.32	0.58	8.75
Interest on Income tax refund	-	-	-	-	0.54
Rent Received	0.20	-	-	-	-
Total	17.55	6.46	30.42	0.59	9.30

**Annexure XI-B
DETAILS OF CONTINGENT LIABILITY**

(Rs. In Lacs)

Particulars					
	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
	Consolidated	Standalone	Consolidated	Standalone	Standalone
Letter of Credit Issued by Bank	1277.92	465.00	195	0	108.06
Foreign Letter of Credit issued by Bank	1082.29	436.20	221.01	595.54	0.00
Inland Bank Guarantee Issued	25.18	71.03	68.11	145.76	156.51
Foreign Bank Guarantee Issued	0	0	0	0	78.88
Corporate Guarantee Given	3243.80	0	140.00	0	0.00
Income Tax (A Y 2004-05)	0	0.00	0.00	27.33	27.33
Municipal Tax	0	0	0	0	2.03
Estimated amount of Contract remaining to be executed on Capital Account	47.65	0.00	101.24	306.27	9.53
Custom Excise & Service Tax Appellate Tribunal, Bombay (F.Y 2003-04)	84.17	84.17	84.17	84.17	84.17

**Annexure XII-B
DETAILS OF FINANCIAL RATIOS ON RESTATED NUMBERS AND EARNINGS PER SHARE**

Particulars						
		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Standalone	Standalone
Net worth as per Annexure I	A	2,665.76	1,841.98	1,261.28	711.30	745.66
Net Profit After Tax (NPAT) for the year Ended (Rs. In Lacs)	B (i)	1218.70	702.93	392.45	-25.13	23.61



Particulars		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Standalone	Standalone
Net Profit After Tax before extra ordinary items for the year / period Ended (Rs. In Lacs)	B (ii)	1218.70	713.77	392.45	-25.13	23.61
Number of shares outstanding at the year / period end as per Balance Sheet	C	12,027,400	8,995,838	6,698,976	3,349,488	3,349,488
Bonus Shares - March 27, 2008 adjusted for earlier periods	D	-	-	-	3,349,488	3,349,488
Shares issued on amalgamation	E	-	-	2,296,862	-	-
Bonus Shares - October 31, 2009 adjusted for earlier periods	F	-	2,998,613	2,998,613	2,232,992	2,232,992
No. of Equity Shares Outstanding at the end of year / Period (Post Bonus Issue)	G = C+D +E+ F	12,027,400	11,994,451	11,994,451	8,931,968	8,931,968
Weighted Average No. of Equity Shares Outstanding	H	12,018,162	8,995,838	6,698,976	3,349,488	3,349,488
Bonus Shares - March 27, 2008 adjusted for earlier periods	I	-	-	-	3,349,488	3,349,488
Shares issued on amalgamation	J	-	-	2,296,862	-	-
Bonus Shares - October 31, 2009 adjusted for earlier periods	K	-	2,998,613	2,998,613	2,232,992	2,232,992
Weighted average No. of Equity Shares Outstanding at the end of year / Period (Post Bonus Issue)	L= H+I+ J+K	12,018,162	11,994,451	11,994,451	8,931,968	8,931,968
Adjusted Earning Per Share (EPS)						



Particulars		31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07	31-Mar-06
		Consolidated	Standalone	Consolidated	Consolidated	Standalone
(after Extra ordinary items)						
- Basic (Rs.)	B (i)/L	10.14	5.86	3.27	-0.28	0.26
- Diluted (Rs.)	B (i)/L	10.14	5.86	3.27	-0.28	0.26
Adjusted Earning Per Share (EPS) (before Extra Ordinary items)						
- Basic (Rs.)	B (ii)/L	10.14	5.95	3.27	-0.28	0.26
- Diluted (Rs.)	B (ii)/L	10.14	5.95	3.27	-0.28	0.26
Return on Net worth (%)	B (i)/A	45.72%	38.16%	31.12%	-3.53%	3.17%
Net Asset Value per Share as at year / period ended (Rs.)	A/G	22.16	15.36	10.52	7.96	8.35

Notes :-

- (i) 33,49,488 Equity Shares of Rs. 10 each have been allotted as fully paid up Bonus shares in the ratio of 1 : 1 on March 27, 2008, by way of capitalisation of Surplus available from P & L account Rs. 92,03,870/- and Share Premium Account Rs. 2,42,91,010/-. As a result, the issued, subscribed and paid up capital of the Company has increased from Rs. 3,34,94,880/- to Rs. 6,69,89,760/-
- (ii) On June 20, 2009 the company has made preferential allotment of 24,712 Equity Shares of Rs. 10/- each, resulting in increase in Equity Share Capital from Rs. 8,99,58,380/- to Rs. 9,02,05,500/-
- (iii) 30,06,850 Equity Shares of Rs. 10 each have been allotted as fully paid up Bonus shares in the ratio of one share for every three shares held on October 31, 2009, by way of capitalisation of Surplus available from P & L account (Rs. 3,00,68,500/-) . As a result, the issued, subscribed and paid up capital of the Company has increased from Rs. 9,02,05,500/- to Rs. 12,02,74,000/-

Ratio has been computed as follows :-

1	Return on Equity (%) (ROE)	<u>Net profit after tax as restated</u> <u>Net Worth at the end of the year</u>
2	Net Asset Value Per Share (NAV) (Rs.)	<u>Net Worth at the end of the year</u> <u>No. of Equity shares outstanding during the year</u>
3	Earning Per Share (EPS) (after Extra Ordinary items) (Rs.)	<u>Net profit after tax as restated attributable to Equity Shareholders</u> <u>Weighted average no. of Equity shares outstanding during the year</u>
4	Earning Per Share (EPS) (before Extra Ordinary items) (Rs.)	<u>Net profit after tax but before extra ordinary items as restated attributable to Equity Shareholders</u> <u>Weighted average no. of Equity shares outstanding during the year</u>



Annexure XIII-B
INFORMATION ABOUT BUSINESS SEGMENT (DIVISION WISE)

(Rs. In Lacs)

Sr.	Particulars	31-Mar-06			
		Wire Division	Consultancy Division	Testing Division	Total
1	Revenue	4,713.29	252.00	1.65	4,966.95
2	Profit before Tax (PBT)	(35.06)	66.49	(1.94)	29.49
3	Depreciation	74.33	4.91	0.16	79.40
4	Segment Assets	2,936.92	332.84	39.04	3,308.80
5	Segment Liabilities	262.01	45.80	6.48	314.29
6	Capital Expenditure incurred during the year	21.85	20.78	-	42.63

(Rs. In Lacs)

Sr.	Particulars	31-Mar-07			
		Consolidated			
		Wire Division	Consultancy Division	Testing Division	Total
1	Revenue	6,970.53	254.46	24.57	7,249.56
2	Profit before Tax (PBT)	12.69	(11.96)	6.56	7.28
3	Depreciation	77.40	7.07	0.16	84.63
4	Segment Assets	3,419.17	479.12	38.08	3,936.36
5	Segment Liabilities	133.02	192.67	12.11	337.80
6	Capital Expenditure incurred during the year	196.95	21.16	-	218.11

(Rs. In Lacs)

Sr.	Particulars	31-Mar-08			
		Consolidated			
		Wire Division	Consultancy Division	Testing Division	Total
1	Revenue	11,138.93	417.32	-	11,556.25
2	Profit before Tax (PBT)	462.30	68.13	(12.51)	517.92
3	Depreciation	207.74	8.72	0.21	216.67
4	Segment Assets	6,551.00	505.79	14.98	7,071.78
5	Segment Liabilities	914.52	169.33	7.79	1,091.64
6	Capital Expenditure incurred during the year	1,846.46	5.10	-	1,851.56

(Rs. In Lacs)

Sr.	Particulars	31-Mar-09		
		Wire Division	Consultancy Division	Total
1	Revenue	14,190.65	488.28	14,678.93
2	Profit before Tax (PBT)	678.79	398.24	1,077.03
3	Depreciation	262.23	2.21	264.44
4	Segment Assets	7,904.15	340.86	8,245.00
5	Segment Liabilities	1,037.35	10.62	1,047.97
6	Capital Expenditure incurred during the year	816.16	-	816.16

Note:

- 1 Since there was no significant transaction in Testing Division, the same has not been reported for in Segment Reporting as on 31st March, 2009.
- 2 Since there was no significant transaction in Consultancy Division & Testing Division, the same has not been reported as on 31st March, 2010.



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this RHP. 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.

Our year ends on March 31st of each year. All references to a particular financial year are therefore to the 12-month ending March 31 of that year.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

We are one of the leading steel wire manufacturers in western India located in Nashik. Mr. Kachardas R. Bedmutha is the founder of Bedmutha Industries Limited (formerly known as Bedmutha Wire Company Limited) having experience in this business for over three decades. Our Company started its commercial production in the year 1992, by setting up first Galvanizing Wire plant at Nashik with an installed capacity of 3600 MTPA. Over the years our company has enhanced capacities from 3600 MTPA to 25300 MTPA by setting up three more Galvanizing Lines at the existing location. Subsequently our company consolidated the group's activity in this sector through a Scheme of Arrangement in the year 2008 and brought all the wire and wire products businesses under Bedmutha Industries Limited. Today our company operates with four manufacturing units in and around Nashik and they are strategically located in proximity to the source of raw materials and markets ensuring cost savings and logistic benefits.

Our Company has wide range of wire and wire products - Galvanized wires, Cable Armour Wires, ACSR Wires, Wire Nails, Earth Wires, Stay Wires, Spring Steel Wires, Barbed Wires, etc. Our products are used in various areas such as roads, bridges, flyovers, power, automobile, engineering, agriculture, railways and defence. Our products are approved by Bureau of Indian Standards, Power Grid Corporation and State Electricity Boards. Two of our plants (Plant 1 manufacturing galvanized wires and Plant 2 manufacturing Binding Wire, PC Wire and Spring Steel Wire) are certified under ISO 9001 from Bureau Veritas Certification (India) Private Limited.

Our main manufacturing facility and marketing set up is established at its registered office at Sinnar Nashik. We are also utilizing offices of our group companies for marketing at various locations all over India which includes Mumbai, Nashik, Pune, Nagpur, Ahmedabad, Baroda, Bangalore, Lucknow, Haridwar, Gwalior, New Delhi, Indore, Angul (Orissa) to sell our products. Our Company offers a range of steel wire products to domestic manufacturers and dealers. With the help of marketing team, we keep ourselves updated about market demand & consumer requirements. Our Company has three warehouses located at Satna (Madhya Pradesh), Silvassa (Dadra & Nagarhaveli) and Bengaluru (Karnataka). These warehouses provide the support to the nationwide distribution.

We have promoted Kamalasha Infrastructure & Engineering Private Limited (KIEPL) which is our subsidiary, for implementation of Turnkey Contracts for Infrastructure namely in power, roads, railways etc. KIEPL has been awarded a sub-contract of Rs 60 Crores in Dharangaon Division of Maharashtra State Electricity Distribution Company Limited (MSEDCL). This job includes preparation of new sub-stations, augmentation in



old sub-stations, laying of 33KV and 11KV lines approximately 600 kms, installing around 500 Distribution Transformers (DTC) etc. This subsidiary offers a direct synergy in terms of consuming GI Wire, Stay Wire from our wire unit and also offers an indirect synergy by consuming PSC Poles, cables, conductors which consumes wire produced by our company.

Scheme of Amalgamation

The Hon'ble High Court of Mumbai vide its Order dated August 29, 2008 has approved the Scheme of Amalgamation entered into by the company under Section 391 and 394 of the Companies Act, 1956 with three companies namely M/s. Ajay Wire Private Limited (AWPL), Kamdhenu Wire Private Limited (KWPL) and Shriram Wire Private Ltd (SWPL). As per this Order, 22,96,862 equity shares of our company were issued to the shareholders of these companies

Significant Developments after October 31, 2009 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the RHP which materially or adversely affect or is likely to affect the manufacturing or profitability of our company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Except as otherwise stated in this RHP, the Risk Factors given in this RHP and the following important factors could cause actual results to differ materially from the expectations include, among others:

General economic and business conditions;

As a company operating in India, we are affected by the general economic conditions in the country. The Indian economy has grown steadily over the past several years. This improved performance was propelled by the growth in industrial activity and robust services sector. The overall economic growth will therefore impact the results of our operations. The growth prospects of the business of the Company and its ability to implement the strategies will be influenced by macroeconomic growth.

Our ability to successfully implement its strategy and its growth and expansion plans;

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact the Company's roll out schedules and cause cost and time over runs.

Factors affecting industrial activity;

Any change in the factors such as industrial policies, tariffs, excise duties etc. which may affect the activities of the Steel industry may also affect our results of operation.

Increasing competition in the industry;

We face competition from various players, some of which are mentioned below:

- Tata Steel Limited
- Ramsarup industries Limited
- Indian Steel & Wire Products Limited
- Usha Martin Limited
- Rajratan Global Wire Limited



Changes in fiscal, economic or political conditions in India;

External factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil in many parts of the world could constrain our ability to do business, increase the costs and negatively affect our financial performance.

Social or civil unrest or hostilities with neighboring countries or acts of international terrorism;

Factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil in many parts of the world could constrain our ability to do business, increase the costs and negatively affect our performance. These geopolitical, social and economic conditions could result in increased volatility in India and worldwide financial markets and economy, and such volatility could constrain our ability to do business.

Changes in the foreign exchange control regulations, interest rates and tax laws in India;

Any change in the foreign exchange control regulation, mainly interest rates and tax laws pertaining to India affects the liquidity of cash in the market which in turn affects the purchasing power of the economy. Any changes in aforesaid regulations may adversely affect our operations.

The performance of the financial markets in India and globally;

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on the Company's business, operations, financial condition and profitability.

Any adverse outcome in the legal proceedings in which we are involved;

We are involved in certain legal proceedings. In the event that all of the cases are decided against us, they could have a material adverse effect on our results of operations

Overview of Our Results of Operation

The following is a summary of company's results of operations derived from our Company's standalone restated financial statements included in this RHP under the section titled "Financial Statements":

(Rs. in lacs)								
Particulars	March 31, 2010	% of Total Income	March 31, 2009	% of Total Income	March 31, 2008	% of Total Income	March 31, 2007	% of Total Income
Income								
Sales & Operating Incomes								
- Manufactured Goods	13,855.53	85.61	13,097.59	86.36	7,914.76	68.81	5,964.23	83.79
- Traded Goods	1,094.84	6.77	1,581.34	10.43	3,539.48	30.77	1,287.33	18.08
Other Income	31.10	0.19	6.46	0.04	71.80	0.62	0.59	0.00
Increase/(Decrease) in Inventory	1,202.11	7.43	480.72	3.17	-23.14	-0.20	-134.16	-1.88
Total Income	16,183.58	100.00	15,166.11	100.00	11,502.91	100.00	7,117.99	100.00
Expenditure								
Raw Material Consumed	10,615.65	65.60	9,782.55	64.50	5,249.04	45.63	4,173.40	58.63
Cost of Traded Goods	1,026.74	6.34	1,466.65	9.67	3,440.13	29.91	1,240.40	17.42
Manufacturing Expenses	1,219.12	7.53	1,133.07	7.47	977.31	8.50	684.51	9.61
Payment & Provision for	366.72	2.27	197.74	1.30	287.50	2.50	159.26	2.23



<i>Particulars</i>	<i>March 31, 2010</i>	<i>% of Total Income</i>	<i>March 31, 2009</i>	<i>% of Total Income</i>	<i>March 31, 2008</i>	<i>% of Total Income</i>	<i>March 31, 2007</i>	<i>% of Total Income</i>
Employees								
Administrative and Other Expenses	108.10	0.67	96.38	0.64	157.08	1.37	110.06	1.54
Miscellaneous Expenditure W/off	45.00	0.28	17.94	0.12	2.91	0.03	6.57	0.09
Selling and Distribution Expenses	308.77	1.91	276.49	1.82	254.72	2.21	376.01	5.28
Finance Cost	668.97	4.13	427.70	2.82	437.51	3.80	247.49	3.47
Loss on Sale of Investment / Asset	-	-	10.84	0.07	-	-	-	-
Depreciation & Amortisation	369.56	2.28	264.44	1.74	216.25	1.88	84.55	1.18
Forex (Gain) / Loss	(71.35)	(0.44)	415.27	2.74	(2.66)	(0.02)	(23.51)	(0.33)
Total Expenditure	14,657.28	90.57	14,089.08	92.90	11,019.80	95.80	7,058.73	99.16
Profit for the Period	1,526.30	9.43	1,077.03	7.10	483.11	4.20	59.26	0.83
(Add) / Less : Prior Period Items	-		-	-	0.20	0.00	0.23	0.00
Profit Before Tax	1,526.30	9.43	1,077.03	7.10	482.9	4.20	59.03	0.82
(Add) / Less : Provision for Tax								
Provision For Income Tax	435.00	2.69	271.56	1.79	51.54	0.45	24.65	0.34
Fringe Benefit Tax	(0.47)	0.00	4.26	0.03	6	0.05	3.3	0.04
Wealth Tax	-	-	-	-	-	-	-	-
Deferred Tax Liability	95.55	0.59	98.29	0.65	64.42	0.56	4.29	0.06
Profit After Tax	996.22	6.16	702.93	4.63	360.94	3.14	26.78	0.37

Comparison of Financial performance for the Financial Year 2009-10 as compared to Financial Year 2008-09

Major Events during the Year:

- In March 2010, the company added 5th Galvanising plant to its Galvanising section enhancing the production capacity from 25300 MT per annum to 33550 MT per annum.
- We have been awarded Mega Project Status from the Government of Maharashtra.

Income from Operations:

Income from Operations increased from Rs. 15,166.11 Lacs in FY 2009 to Rs. 16,183.58 Lacs in FY 2010 registering a growth rate of 6.71% and the volumes increased from 24929.158 MT to 32459.702 MT during the period under comparison on account of optimum utilization of production capacity.

Expenditure:

Raw Material Consumed & Manufacturing Expenses

Cost of Raw Material Consumed increased from Rs. 9,782.55 Lacs in FY 2009 to Rs. 10615.65 Lacs in FY 2010 showing an increase of 8.52% due to increase in volume. Manufacturing Expenses have been increased from Rs. 1,133.07 Lacs in FY 2009 to Rs. 1219.74 Lacs in FY 2010 i.e; by 7.59% due to increase in volume. Overall, costs of Raw Material Consumed & Manufacturing Expenses have shown an increase of 16.11% in proportion to the total Income.



Administrative and Selling Expenses

Administrative Expenses increased from Rs. 96.38 Lacs in FY 2009 to Rs. 108.10 Lacs in FY 2010, Selling and Distribution Expenses have increased from Rs. 276.49 Lacs in FY 2009 to Rs. 308.77 Lacs in FY 2010. In proportion of total income, Administrative Expenses increased from 0.64% to 0.67% and Selling and Distribution Expenses increased from 1.82% to 1.91% in the same period. The marginal increase is due to better absorption of overheads.

Employees Cost

Employees Remuneration & Benefits has increased from Rs. 197.74 Lacs in FY 2009 to Rs. 366.72 Lacs in FY 2010. In proportion to total income, it has increased from 1.30% to 2.27%. The increase in the same was due to upward revision in salaries.

Finance Expenses

Net interest expenditure has increased from Rs. 427.70 Lacs in the FY 2009 to Rs. 668.97 Lacs in FY 2010 due to increase in borrowings.

Depreciation

Depreciation has increased from Rs. 264.44 Lacs in FY 2009 to Rs. 369.56 Lacs in FY 2010. This is on account of increase in fixed asset base for its manufacturing facilities, particularly, at Plant 1 and Plant 2 at Sinnar.

Profit After Tax

Profit after tax has increased from Rs. 702.93 Lacs in FY 2009 to Rs. 996.22 Lacs in FY 2010, registering a growth of 41.72% which is primarily due to increase in total Income, better cost control measures and absorption of fixed overheads.

Comparison of Financial performance for the Financial Year 2008 - 09 as compared to Financial Year 2007- 08

Major Events during the Year:

- Our company had a separate division named as "K.R. Bedmutha & Techno Associates ("KRBTA") engaged in providing consultancy services. On July 01, 2008, the Consultancy Division was spinned off into a separate entity named as "K.R. Bedmutha Techno Associates Private Limited."
- Our Company has added PSC (Pre-stressed Concrete) Wire manufacturing facilities in its Plant 2 in March 2009. Thus, the total Wire Drawing production capacity increased from 42100 MTPA to 60000 MTPA.

Income from Operations:

Income from Operations increased from Rs. 11,502.91 Lacs in FY 2008 to Rs. 15,166.11 in FY 2009 registering a growth rate of 31.84% due to optimum utilization of production capacity.



Expenditure:

Raw Material Consumed & Manufacturing Expenses

Cost of Raw Material Consumed increased from Rs. 5,249.04 Lacs in FY 2008 to Rs. 9,782.55 Lacs in FY 2009 showing an increase of 86.37% due to increase in procurement price and volume of the company. Manufacturing Expenses increased from Rs.977.31 Lacs in FY 2008 to 1,133.07 Lacs in FY 2009 showing an increase of 15.94% due to increase in volume of the company. Overall, costs of Raw Material Consumed & Manufacturing Expenses have shown an increase of 17.84% as proportion of the total Income and the same was on account of increase in raw material prices and other costs.

Administrative and Selling Expenses

Administrative Expenses decreased from Rs. 157.08 Lacs in FY 2008 to Rs. 96.38 Lacs in FY 2009, Selling and Distribution Expenses have increased from Rs. 254.72 Lacs in FY 2008 to Rs. 276.49 Lacs in FY 2009. As a proportion of total income, Administrative Expenses decreased from 1.37% to 0.64% and Selling and Distribution Expenses decreased from 2.21% to 1.82% in the same period. This is due to spin off of consultancy division KRBTA resulting in marginal reduction and better absorption of fixed overheads due to increased revenue base.

Employees Cost

Employees Remuneration & Benefits has decreased from Rs. 287.50 Lacs in FY 2008 to Rs. 197.74 Lacs in FY 2009 due to spin off of consultancy division KRBTA resulting in marginal reduction in Employees Cost. As a proportion of total income, it has decreased from 2.50% to 1.30% in the same period.

Finance Expenses

Net interest expenditure has decreased marginally from Rs. 437.51 Lacs in the FY 2008 to Rs. 427.70 Lacs in the FY 2009 due to decrease in borrowings. As a proportion of total income, it has decreased from 3.80% to 2.82% in the same period.

Depreciation

Depreciation has increased from Rs. 216.25 Lacs in FY 2008 to Rs. 264.44 Lacs in FY 2009. This is on account of increase in fixed asset base for its manufacturing facilities particularly at Plant 2.

Profit After Tax

Profit after tax has increased from Rs. 360.94 Lacs in FY 2008 to Rs. 702.93 Lacs in FY 2009, registering a growth of 94.74% which is primarily due to increase in total Income, better cost control measures and absorption of fixed overheads due to increased revenue base.

Comparison of Financial performance for the Financial Year 2007 - 08 as compared to Financial Year 2006- 07

Major Events During the Year

- During the year, three companies viz; Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited were amalgamated with our Company with effect from 1st April 2007. Due to this merger, the company has achieved economies of scale.



Income from Operations

Income from Operations increased from Rs. 7,117.99 Lacs in FY 2007 to Rs. 11,502.91 Lacs in FY 2008 registering a growth rate of 61.60% due to increase in the total capacity of Wire drawing unit from 18000 MTPA to 42100 MTPA on account of amalgamation of three companies as mentioned above and increased in the capacity of galvanizing plant from 16800 MTPA to 25300 MTPA on account of addition of GI Plant.

Expenditure

Raw Material Consumed & Manufacturing Expenses

Cost of Raw Material Consumed increased from Rs. 4149.89 Lacs in FY 2007 to Rs. 5249.04 Lacs in FY 2008 showing an increase of 25.77% due to increase in procurement price and volume of the company. Manufacturing Expenses have increased from Rs. 684.51 Lacs in FY 2007 to Rs. 977.31 Lacs in FY 2008 showing an increase of 42.78% due to increase in volume of the company. Overall, costs of Raw Material Consumed & Manufacturing Expenses have shown a decrease of 14.11% as proportion of the total Income and the same was on account of economies of scale and cost reduction by sustained negotiations with Suppliers.

Administrative and Selling Expenses

Administrative Expenses increased from Rs. 110.06 Lacs in FY 2007 to 157.08 Lacs in FY 2008 and Selling & Distribution Expenses decreased from Rs.376.01 Lacs in FY 2007 to Rs. 254.72 Lacs in FY 2008. As a proportion of total income, Administrative Expenses decreased from 1.54% to 1.37% and Selling & Distribution Expenses also decreased from 5.28% to 2.21% in the same period. This is on account of economies of scale and better absorption of fixed overheads due to increased revenue base.

Employees Cost

Employees Remuneration & Benefits has increased from Rs. 159.26 Lacs in FY 2007 to Rs. 287.50 Lacs in FY 2008 due to addition of employees of amalgamated companies with us. As a proportion of total income, it has increased marginally from 2.23% to 2.50% in the same period.

Finance Expenses

Finance expenditure has increased from Rs.247.49 Lacs in the FY 2007 to Rs. 437.51 Lacs in the FY 2008. This is due to increase in borrowings. As a proportion of total income, it has increased from 3.47% to 3.80% in the same period.

Depreciation

Depreciation has increased from Rs. 84.55 Lacs in FY 2007 to Rs. 216.25 Lacs in FY 2008. This is on account of increase in fixed asset base for manufacturing facilities and addition of fixed assets of the amalgamated concerns.

Profit After Tax

Profit after tax has increased from Rs. 26.78 Lacs in FY 2007 to Rs. 360.94 Lacs in FY 2008, registering a growth of 1247.80% which is primarily due to increase in total Income and due to amalgamation.

**Cash Flows**

The table below summarizes the Company's Cash Flows on standalone basis for the Financial Year ending March 31, 2010, 2009, 2008 & 2007

Particulars	March 31, 2010	March 31, 2009	March 31, 2008	(Rs. In Lacs)
				March 31, 2007
Net cash from (used in) operating activities (A)	(1138.89)	1,253.73	541.01	19.53
Net cash from (used in) investing activities (B)	(1801.28)	(863.39)	(936.49)	(223.24)
Net cash from (used in) financing activities (C)	2719.84	(185.09)	437.57	419.17
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(220.32)	205.25	42.09	215.46

Operating Activities

Net cash used in from the Company's operating activities for FY 2010 was Rs.1138.89 Lacs. This was primarily due to increase in stock.

Net cash generated from the Company's operating activities for FY 2009 was Rs. 1253.73 Lacs, FY 2008 was Rs. 541.01 Lacs and FY 2007 was Rs. 19.53 Lacs. This was due to overall gradual increase in capacity and productivity and due to economies of scale and optimum utilisation of resources during these periods.

Investing Activities

Net cash used in Company's investing activities for FY 2010 was Rs. 1801.28 Lacs, FY 2009 was Rs. 863.39 Lacs, FY 2008 was Rs.936.49 Lacs and FY 2007 was Rs. 223.24 Lacs. This was primarily attributable to project related expenses incurred during these periods.

Financing Activities

Net cash generated from the Company's financing activities for FY 2010 was Rs 2719.84 Lacs, FY 2008 was Rs. 437.57 Lacs and FY 2007 was Rs. 419.17 Lacs as a result of increase in working capital and term loan amount.

Net cash used in from the Company's financing activities for FY 2009 was Rs.185.09 Lacs. This was due to interest payout during this period

Information required as per Schedule VIII Part A(IX) (E)(5) of the SEBI ICDR Regulations**(a) Unusual or infrequent events or transactions**

Other than as stated in the RHP, there have been no unusual or infrequent transactions that have taken place during the last three years.

(b) Significant economic changes that materially affected or are likely to affect income from continuing operations

Any slowdown in the growth of Indian Economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.



(c) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations

To our knowledge there are no known trends or uncertainties that have had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

(d) Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in this section and the sections titled "Risk Factors", "Our Business" pages xii and 83, respectively, to our knowledge, there are no known factors which will materially impact the future changes in relationship between our costs and revenues.

(e) The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase or decrease in revenue is by and large linked to increases in sales prices or volume of business.

(f) Total turnover of each major Industry segment in which our Company operated

Relevant published data, as available, on the industry segment has been included in the section entitled "Industry Overview" beginning on page 74.

(g) Status of any publicly announced new products or business segment

Our Company has not publicly announced any new product and segment, other than through the RHP. Our company is in process of entering into new wire product called LRPC wire.

(h) The extent to which the business is seasonal

There is no seasonality in our business segment.

(i) Any significant dependence on a single or few suppliers or customers

The % of contribution of our Company's customers and suppliers' vis-à-vis the total income and operating cost respectively, for the FY 2010 is as follows:

Particulars	Customers
Top 10(%)	51.21

(j) Competitive Condition

We face competition from larger and well-established players.

**SECTION V- LEGAL AND REGULATORY INFORMATION****CONTINGENT LIABILITIES, OUTSTANDING LITIGATION, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES****I. Contingent liabilities not provided for:**

The contingent liabilities not provided for as on 31/10/2010 are as follows:

Particulars	Amount (Rs. in Lacs)
Letter of Credit Issued by Bank	1277.92
Foreign Letter of Credit issued by Bank	1082.29
Inland Bank Guarantee Issued	25.18
Corporate Guarantee Given*	3243.80
Estimated amount of Contract remaining to be executed on Capital Account	47.65
Custom Excise & Service Tax Appellate Tribunal, Bombay (F.Y 2003-04)	84.17
TOTAL	5761.01

* Represents Corporate Guarantee given to Axis Bank Limited for working capital limits sanctioned to our subsidiary KIEPL.

II. Outstanding Litigations involving Bedmutha Industries Limited:

We certify that except as stated herein there are no:

- Pending litigations against the company.
- Outstanding litigations, defaults etc pertaining to matter likely to affect operations and finances of the company including prosecution under 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 the 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 the Company or its Promoters of economic offences in which penalties were imposed on promoters.
- Pending litigation, disputes, defaults, non-payment of statutory dues, proceedings initiated for offences (including past cases and irrespective of whether specified in paragraph (i) of part 1 of Schedule XIII of the Companies Act, 1956) against the promoters and there business ventures.
- 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 the Company/Promoters and their business ventures/Directors other than those mentioned in this Prospectus and that no litigations have arisen and the Company and its Directors take full responsibility of the information mentioned in the Prospectus.



Litigations involving Bedmutha Industries Limited

i. Cases filed against the Company

Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
1.	Appeal no. E/2021/05 before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai	The Commissioner of Central Excise, Nashik	Assistant Commissioner of Central Excise, Nashik issued to the Issuer Company a Show Cause Notice ("SCN") dated 30.9.2003 asking the Issuer Company to show cause as to why, for the reasons stated in the SCN a sum of Rs.24,13,105/- should not be recovered being the difference in the value on clearance of exempted wires after offsetting the amount already paid, during the period from September 2002 to July 2003. The Issuer Company vide its letter dated 24.1.2003 replied to the SCN, disputing the claim. The Commissioner of Central Excise, by his order dated 7.7.2004 confirmed the demand of Rs.21,02,677/- after giving relief for Rs.3,10,428/-. The matter was taken on appeal by the Issuer Company before the Tribunal which remanded the matter back to the Original Authority. The Commissioner of Central Excise, vide his order dated 17.3.2005 once again confirmed the demand of Rs.21,02,677 for the period from September 2002 to July 2003 and imposed a penalty of Rs.1,00,000/- on the Issuer Company under Rule 13 of the Cenvat Credit Rules, 2002. Against this order, the Issuer Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Western Zonal Bench, Mumbai challenging the demand and penalty levied. The Company had obtained a stay from CESTAT vide its order dated July 20, 2005 for full waiver and stay of deposit in the matter. The Tribunal had further extended the stay vide its Order dated April 15, 2009 for a period of six months or disposal of the said appeal whichever is earlier. The Company had filed a Miscellaneous Application dated October 15, 2009 before the Tribunal for extending the Stay granted to the Company. The Tribunal vide its order dated February 24, 2010 granted the extension of stay in the matter of Appeal No. E/2021/05 until its final disposal. Subsequently, the Company had filed a Miscellaneous Application dated July 23, 2010 (in respect to Appeal Nos. E/2021/05, before the Tribunal for extending the stay granted to the Company. The matter is pending before the Tribunal



Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
2.	Appeal no E/2022/05 before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai	The Commissioner of Central Excise, Nashik	For the period from August 2003 to March 2004, the Issuer Company had availed cenvat credit on procured MS Wires/GI Rods amounting to Rs. 1,15,68,533/- and had cleared redrawn MS Wires/GI Rods valued to Rs. 7,31,67,887/- amounting to Rs. 58,53,440/-. The Assistant Commissioner of Central Excise, Nasik, issued a Show Cause Notice ("SCN") dated 23.8.2004 to the Issuer Company asking the Company to show cause as to why a sum of Rs.57,15,093/-, being the amount of credit wrongly availed by the Company during the period from August 2003 to March 2004 be not recovered, along with a penalty. The SCN also proposed to levy a penalty on Mr. Ajay Vedmutha, Director of the Company. The Issuer Company sent its reply dated 9.10.2004 to the SCN, disputing the demand raised in the SCN. The Commissioner vide his order dated 17.3.2005 had confirmed the demand of Rs.57,15,093/- for the period from August 2003 to March 2004 and imposed a penalty of Rs.1,00,000/- on the Issuer Company and Rs.10,000/- on Mr. Ajay Vedmutha. The Commissioner of Central Excise in its Order has stated that since the Issuer Company is not entitled for Cenvat, the credit availed by the Issuer Company of Rs. 1,15,68,533/- had been disallowed. Further, it has stated that since already an amount of Rs. 58,53,440/- was paid by the Issuer Company on account of clearance of MS Wires/GI Rods, the balance credit recoverable from the Issuer Company is Rs. 57,15,093/-. The Issuer Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai challenging the demand and penalty levied. In the Appeal filed with the Hon'ble Tribunal, the Issuer Company has stated that there has been a basic error while calculating the demand of Rs. 57,15,093/-. It has been stated in the Appeal that the Commissioner of Excise has not given the credit of cenvat paid by the Issuer Company totaling to Rs. 49,35,204/- on account of payment of the central excise duty on dutiable goods. As per the Issuer Company, the final demand is of Rs. 7,79,889/-. The Company had obtained a stay from the Tribunal vide its order dated July 20, 2005 for full waiver and stay of deposit in the matter. The Tribunal had further extended the stay vide its Order dated April 15, 2009 for a period of six months or disposal of the said appeal whichever is earlier. The Company had



Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
			filed a Miscellaneous Application dated October 15, 2009 before the Tribunal for extending the Stay granted to the Company. Subsequently the Company had filed a Miscellaneous Application dated July 23, 2010 (in respect to Appeal No.E/2022/05 before the Tribunal for extending the stay granted to the Company. The matter is pending before the Tribunal.
3.	Appeal no. E/3056/05 before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai	The Commissioner (Appeal) of Central Excise, Nashik	Shriram Wire Private Ltd. ("SWPL", since merged with the Issuer Company) is engaged in production of MS wire and stay wire by way of redrawing of wires from M S wire rods and M S wire by reducing the thickness/gauges. For the period August 2001 to July 2002, Shriram Wire Pvt. Ltd. (since merged with the Issuer Company) had availed cenvat credit @ 8% of the value of the exempted goods (being wires). The Assistant Commissioner of Central Excise and Customs, Nasik issued to SWPL and to Mr. K R Bedmutha, a Director of Shriram Wire Private Limited a Show Cause Notice ("SCN") dated 12.4.2004 asking them to show cause as to why (i) CENVAT credit wrongly availed to the tune of Rs.3,98,962/- availed by SWPL during the above period should not be disallowed and recovered (ii) penalty be not imposed (iii) interest at appropriate rate should not be charged on the amount disallowed (iv) personal penalty be not imposed on Mr. K R Bedmutha, Director of SWPL. Vide its letter dated 25.4.2004, SWPL replied to the SCN disputing the demand made in the SCN. The Assistant Commissioner of Central Excise and Customs, by his order dated 30.9.2004 confirmed the demand of Rs.3,98,962/- imposed on SWPL and imposed a penalty of an equal amount on SWPL. He also imposed a penalty of Rs.50,000/- on Mr. K R Bedmutha, Director of SWPL, for not following the correct central excise procedure. The Company filed an appeal alongwith a stay application against the Order before the Commissioner (Appeals) Central Excise and Customs, Nashik inter-alia challenging the demand and penalty levied. The Commissioner (Appeals) vide his Order dated March 2, 2005 granted a stay Order for the demand and penalty and also directed the Company to pre-deposit an amount of Rs. 1,00,000/- against the



Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
			amount of demand raised. On March 18, 2005 the Company deposited the amount of Rs. 1,00,000/-. The Commissioner (Appeals) vide his final Order dated June 14, 2005 disallowed the appeal and confirmed the Order passed by the Assistant Commissioner. The Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai challenging the Order of the Commissioner (Appeals). Subsequently, the Company has obtained a stay from CESTAT vide its order dated September 30, 2005 for further pre-deposit of the demand/penalty and for the recovery in the matter. The CESTAT had further extended the stay vide its Order dated May 1, 2009 for a period of six months or disposal of the said appeal whichever is earlier. The Company had filed a Miscellaneous Application dated November 20, 2009 before the CESTAT for extending the Stay granted to the Company. The Tribunal vide its order dated February 24, 2010 granted extension of stay in the matter until its final disposal of the Appeal.
4	Notice bearing reference no. NSK-IV/Bedmutha/Adj/22/2009 /997 before the Assistant Commissioner of Central Excise & Customs, Nasik IV	Assistant Commissioner of Central Excise & Customs, Nasik IV	The Assistant Commissioner of Central Excise & Customs has issued to the Company a Notice bearing reference no. NSK-IV/Bedmutha/Adj/22/2009/997. It has been stated in the Notice that the Company had availed of and utilized Cenvat credit amounting to Rs. 1,90,056/- in respect to services related to storage and handling of excisable goods subsequent to clearances from the premises provided by Jainex Ltd. at Bangalore and NSIL at Silvassa. It has been stated in the Notice that the goods cleared is not in the nature of input services as defined under Rule 2(l) of the Cenvat Credit Rules, 2004 and that service tax paid on such services is not eligible for credit. Further it stated that the Company had suppressed certain facts from the department. Vide the Notice, the Company has been called upon to show cause why Rs. 1,90,056/- of cenvat credit wrongly availed should not be demanded and recovered under the provisions of section 11A(1) of the Central Excise Act, 1944 read with rule 14 of the Cenvat Credit Rules, 2004 and that interest @ 13% p.a should not be charged for the delayed payment. Further, the Company has been called to show



Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
			cause why penalty not be imposed on the Company for suppression of facts from the department. The Company vide its letter dated May 7, 2010 filed its reply denying the charges stated in the Notice. Further, the Company stated that storage and handling of excisable goods was infact an input service and that the cenvat credit can be availed on debit notes. Further, the Company denied that it had suppressed any facts and that ther matter was time barred. The matter is pending before the department.

ii Cases filed by the Company

Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
1.	Writ Petition No. 955 of 2004 Before the High Court of Judicature at Bombay	State of Maharashtra, Maharashtra State Electricity Board and others	The Issuer Company is the Petitioner in the Writ Petition. The Petition has been filed under Article 226 of the Constitution of India, wherein State of Maharashtra is the first Respondent, Maharashtra State Electricity Board ("MSEB") is the second Respondent and The Technical Director (Stores), MSEB is the third Respondent. It has been stated in the Petition that the Issuer Company has been registered as a small scale industry and has obtained Certificate of Registration from District Industries Centre, Nasik. It has further been stated in the Petition that MSEB had floated tenders for purchase of GI Wire and Staywire. The Issuer Company had submitted its bid. The Bids of the Issuer Company were accepted and orders were issued by MSEB. The goods of the prescribed quantity and variety were delivered by the issuer Company to MSEB from time to time. In respect to the goods supplied for tender no. SP/361/T-0906/0699/12395, there were delays by MSEB in making payment for the price of the goods and hence the Issuer Company claimed interest from Respondent No. 2 for the delayed payment, pursuant to the provisions of Interest On Delayed Payment to Small Scale and Ancillary Industrial Undertaking Act, 1993. However Respondent No.2 did not pay interest to the Issuer Company. Hence the Issuer Company has filed the present Writ Petition. In the Petition, the Issuer Company has prayed for issue of direction to Respondent No.2 to pay interest to the Petitioner in terms of Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The petition relates to the dispute for payment of interest for Rs. 16,52,662.40 on delayed payments by MSEB.



Sr. No.	Reference to Case No.	Opposite Party	Brief facts of the case
2.	Writ Petition No. 1277 of 2003 Before the High Court of Judicature at Bombay	State of Maharashtra, Maharashtra State Electricity Board and others	The Issuer Company is the Petitioner in the Writ Petition. The Petition has been filed under Article 226 of the Constitution of India, wherein State of Maharashtra is the first Respondent, Maharashtra State Electricity Board ("MSEB") is the second Respondent and The Technical Director (Stores), MSEB is the third Respondent. It has been stated in the Petition that the Issuer Company has been registered as a small scale industry and has obtained Certificate of Registration from District Industries Centre, Nasik. It has further been stated in the Petition that MSEB had floated tenders for purchase of GI Wire and Staywire. The Issuer Company had submitted its bid. The Bids of the Issuer Company were accepted and orders were issued by MSEB. The goods of the prescribed quantity and variety were delivered by the issuer Company to MSEB from time to time. In respect to the goods supplied for tenders no. SP/ISO/T-0901/0198/10205 dated August 19, 1998 and SP/0901/0198/10206 there were delays by MSEB in making payment for the price of the goods and hence the Issuer Company claimed interest from Respondent No. 2 for the delayed payment, pursuant to the provisions of Interest On Delayed Payment to Small Scale and Ancillary Industrial Undertaking Act, 1993. However Respondent No.2 did not pay interest to the Issuer Company. Hence the Issuer Company has filed the present Writ Petition. In the Petition, the Issuer Company has prayed for issue of direction to Respondent No.2 to pay interest to the Petitioner in terms of Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The petition relates to the dispute for payment of interest for Rs. 73,69,296.98 on delayed payments by MSEB.

a. Outstanding Litigations involving Promoters/ Directors of Company

There are no outstanding litigations, disputes, non-payment of statutory dues, overdues to banks / financial institutions, defaults against banks / financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, and arrears on cumulative preference shares issued, defaults in creation of full security as per terms of issue, other liabilities, proceedings initiated for economic / civil / any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956) against the promoters and director of the Company.



Cases against the Promoters/Directors

Sr. No.	Name of Promoters/ Director(s)	Reference to Case No.	Opposite Party	Brief facts of the case
1.	Mr. Ajay Vedmutha	Appeal no. E/2023/05 before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai	The Commissioner of Central Excise, Nashik	Same as given under serial No. 2 under Company's litigation section. Mr. Ajay Vedmutha has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Western Zonal Bench, Mumbai challenging the penalty levied. Mr. Ajay Vedmutha had obtained a stay from CESTAT vide its order dated July 20, 2005 for full waiver and stay of deposit in the matter. The CESTAT had further extended the stay vide its Order dated April 15, 2009 for a period of six months or disposal of the said appeal whichever is earlier. Mr. Ajay Vedmutha has filed a Miscellaneous Application dated October 15, 2009 before the CESTAT for extending the Stay granted to him. The matter is pending before CESTAT. Subsequently, the Company had filed a Miscellaneous Application dated July 23, 2010 (in respect to Appeal No E/2023/05) before the Tribunal for extending the stay granted to the Company. The matter is pending before the Tribunal
2.	Mr. K.R. Bedmutha	Appeal no. E/3055/05 before the Commissioner (Appeals) Central Excise and Customs, Nashik	The Assistant Commissioner of Central Excise and Custom Division IV, Nashik	Same as given under serial No. 3 under Company's litigation section Mr. K R Bedmutha has filed an appeal before the Commissioner (Appeals) Central Excise and Customs, Nashik inter-alia challenging the demand and penalty levied. Mr. K.R. Bedmutha has obtained a stay from CESTAT vide its order dated dated September 30, 2005 for pre-deposit of the penalty and for the recovery in the matter. The CESTAT had further extended the stay vide its Order dated May 1, 2009 for a period of six months or disposal of the said appeal whichever is earlier. Mr. K.R. Bedmutha has filed a Miscellaneous Application dated November 20, 2009 before the CESTAT for extending the Stay granted to him. The matter is pending before CESTAT.



b. Outstanding Litigations involving Subsidiaries and Group Companies:

There are no outstanding litigation, disputes, non-payment of statutory dues, overdues to banks / financial institutions, defaults against banks / financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, and arrears on cumulative preference shares issued, defaults in creation of full security as per terms of issue, other liabilities, proceedings initiated for economic / civil / any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956) against the subsidiaries and group companies.

Cases filed by the Subsidiaries/Group Companies/Partnership Firms

Sr. No.	Name of the Subsidiary/Group Company	Reference to Case No.	Opposite Party	Brief facts of the case
1.	Kreepa Steel Industries ("KSI")	Writ Petition No. 118 of 2003 Before the High Court of Judicature at Bombay	State of Maharashtra, Maharashtra State Electricity Board and others	At the relevant time, Kreepa Steel Industries ("KSI") was registered as a small scale industry. KSI has filed this Writ Petition under Article 226 of the Constitution of India, wherein State of Maharashtra is the first Respondent, Maharashtra State Electricity Board ("MSEB") is the second Respondent and The Technical Director (Stores), MSEB is the third Respondent. MSEB had floated tenders for purchase of SI Wire and Staywire. KSI had submitted its bid. The Bids of KSI were accepted and orders were issued by MSEB. The goods of the prescribed quantity and variety were delivered by KSI to MSEB from time to time. In respect to the goods supplied for tender no. SP/T-0205/0298/12581, there were delays by MSEB in making payment for the price of the goods. KSI in its petition has sought interest as prescribed under the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The petition relates to the dispute for payment of interest for Rs. 4,15,738.88 on delayed payments by MSEB.
2.	Elme Plast Company	Writ Petition No. 1290 of 2003 Before the High Court of Judicature at Bombay	State of Maharashtra, Maharashtra State Electricity Board and others	At the relevant time, Elame Plast Company ("EPC") was registered as a small scale industry. EPMC has filed this Writ Petition under Article 226 of the Constitution of India, State of Maharashtra is the first Respondent, wherein Maharashtra State Electricity Board ("MSEB") is the second Respondent and The Technical Director (Stores), MSEB is the third Respondent. MSEB had floated tenders for purchase of SI Wire and Staywire. EPMC had



Sr. No.	Name of the Subsidiary/Group Company	Reference to Case No.	Opposite Party	Brief facts of the case
				submitted its bid. The Bids of EPMC were accepted and orders were issued by MSEB. The goods of the prescribed quantity and variety were delivered by EPMC to MSEB from time to time. In respect to the goods supplied for tender no. SP/L-50/T-0906/0795/5917, there were delays by MSEB in making payment for the price of the goods. EPMC in its petition has sought interest as prescribed under the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The petition relates to the dispute for payment of interest for Rs. 23,25,748.06 on delayed payments by MSEB.

MATERIAL DEVELOPMENTS

Significant development since the last audited balance sheet as on March 31, 2010 till the date of Red Herring Prospectus

No circumstances have arisen since the date of last financial statement until the date of filing of this Red Herring Prospectus with SEBI, which materially and adversely affect or is likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of our Company.



GOVERNMENT/STATUTORY AND BUSINESS APPROVALS

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 information sets out the details of licenses, permissions and approvals taken by our Company under various Central and State Laws for carrying out its business.

The Company requires various approvals to carry on its business in India. It has received the following Government approvals/licenses/permissions:

1. Certificate of Incorporation No. 11-57863 dated August 23, 1990 issued by the Registrar of Companies, Mumbai in the name of Bedmutha Wire Company Private Limited.
2. The Company has changed its name from Bedmutha Wire Company Private Limited to Bedmutha Wire Company Limited on September 27, 1997.
3. The Company has changed its name from Bedmutha Wire Company Limited to Bedmutha Industries Limited and has been notified by the Registrar of Companies, Maharashtra w.e.f November 18, 2009.
4. The Corporate Identity Number of the Company issued by the Registrar of Companies, Mumbai is U31200MH1990PLC057863.
5. For alteration of its object clause of the Memorandum of Association for commencement of new business, though the special resolution was passed in the year 2007, the return has been filed only in January 2010.
6. Permanent Account Number "AABC3313M" issued by the Income-Tax Office, Nasik vide its letter dated May 30, 2000.
7. Tax Deduction Account Number No. "NSKB00965G" issued by the Income Tax Officer (TDS) Nasik vide its letter no. NSK/TDS/TAN/1347/94-95/545 dated July 11, 1994.
8. Grant of the Provident Fund Registration Number MH/NK/51345 under Employees Provident Funds and Miscellaneous Provision Act, 1952 by the Office of the Regional Provident Fund Commissioner, Mumbai.
9. Registration no. 375 issued under the Standard Weights and Measures Act by the Officer, Weights Measurement Division - 4, Nashik for the unit at Plot No.A-31 to 35, 57, Sinnar, Nashik.
 - a. Approval for the weigh bridge unit situated at the factory in Sinnar, Nashik. The approval expired on March 28, 2010. The same has not been renewed.
 - b. Approval for seven electronic weighing machines (Make: WBT 9K008) situated at the factory Sinnar, Nashik - valid upto September 24, 2010.
 - c. Approval for another electronic weighing machine (Make: A14137) situated at the factory Sinnar, Nashik - valid upto September 24, 2010.



10. Certificate of Importer-Exporter Code dated July 26, 2001. IEC Number being 3101003318 granted by the Ministry of Commerce. Valid until cancelled.
11. Certificate Issued by Ministry of Commerce & Industry, Secretariat for Industrial Assistance for manufacture of all kinds of galvanized wires and wires products, barbed wire, stay wire, earth wire, annealed wire, binding wire etc. under Registration Number- 1059/SIA/IMO/2009 dated July 1, 2009.
12. Certificate Issued By Department Of Industrial Development Secretariat for Industrial Approvals Entrepreneurial Assistance Unit

Sr. No.	Product Name	SIA REF NO. AND DATE
1.	All types of galvanized wires and wire products, wire nail, Stay Wire/chain link/ barbed wire .	1658/SIA/IMO/2009 dated July 1, 2009 amended on January 5, 2010
2.	Galvanized wires, Stranded wires ACSR core wires, CA Wire, MS Wires, Earth wires & wire products general fabrication	1656/SIA/IMO/2009 dated July 1, 2009 amended on January 5, 2010
3.	All kinds of galvanized wires and wires products, barbed wire, stay wire, earth wire, annealed wire, binding wire etc	1659/SIA/IMO/2009 dated July 1, 2009 amended on January 5, 2010
4.	All types of galvanized wires and products spring steel wire, wire rope, wire, M.S.Wire, High Carbon Wire with electrodes generals fabrication	1660/SIA/IMO/2009 dated July 1, 2009 amended on January 5, 2010

13. Factory License

Sr. No.	Location	Factory License Number and Date	Issued By	Remarks
1.	Plot No.A-70,71,72, Stice, Musalgaon, 422103, Sinnar, Nashik	Nashik/331/62-A/27107	Industrial Safety & Health Department , Maharashtra	Valid upto December 31, 2012
2.	Plot No.A-31 to 35, 57, Sinnar, Nashik	Nashik/331/24-A	Industrial Safety & Health Department , Maharashtra	Valid upto December 31, 2011
3.	Plot No. B 113 STICE, Shirdi Road, Sinnar Nashik	As claimed by the Company, the number of workers in the unit is lesser than the minimum number of workers required for registration under the Factories Act, 1948.		
4.	Plot No. B 140, STICE, Shirdi Road, Sinnar Nashik	As claimed by the Company, the number of workers in the unit is lesser than the minimum number of workers required for registration under the Factories Act, 1948.		

14. Central Excise Registration

Sr. No.	Location	Excise Registration Number and Date	Issued By	Remarks
1.	GUT No. 270(274)8/1, Sinnar Shirdi Road, Nashik	AABCB3313MXD006: December 23, 2009	Deputy/Asst. Commissioner of Central Excise and Customs, Nashik IV Division	Dealer of Excisable Goods
2.	Plant-1, Plot No. 31 to 35 & 57, STICE, Shirdi Road, Sinnar	AABCB3313MXM001: December 23, 2009	Deputy/Asst. Commissioner of Central Excise and Customs, Nashik	Manufacture of Excisable Goods



	Nashik		IV Division	
3.	Plant-2, Plot No. 70, 71 and 72, STICE, Shirdi Road, Sinnar Nashik	AACB3313MXM003: December 23, 2009	Deputy/Asst. Commissioner of Central Excise and Customs, Nashik IV Division	Manufacture of Excisable Goods
4.	Plant-3, Plot No. B 113 STICE, Shirdi Road, Sinnar Nashik	AACB3313MXM004: December 23, 2009	Deputy/Asst. Commissioner of Central Excise and Customs, Nashik IV Division	Manufacture of Excisable Goods
5.	Plant-4, Plot No. B 140, STICE, Shirdi Road, Sinnar Nashik	AACB3313MXM005: December 23, 2009	Deputy/Asst. Commissioner of Central Excise and Customs, Nashik IV Division	Manufacture of Excisable Goods
6.	Plot No. 49/40-B, Sarvabhoumanagar, Bannerghata Road, Bangalore	Company does not operate from this location. It is in process of filing an application for cancellation of registration	Assistant Commissioner of Central Excise II Division Bangalore	Manufacturer's Depot
7.	89/1/2, Gala No. 8A, Shalimar Indl Silvassa	Company does not operate from this location. It is in process of filing an application for cancellation of registration	Deputy Commissioner of Central Excise Division II Silvassa	Manufacturer's Depot
8.	2/1, Transport House, Tikuria Tola, Satna, Madhya Pradesh	AACB3313MEM009: April 23, 2010	Asst. Commissioner of Central Excise	Manufacturer's Depot
9	V-Trans (India) Godown, Gala No. 5, 40 Shed Area, GIDC, Vapi Pardi, Valsad	AACB3313MEM008: March 26, 2010	Deputy Commissioner of Central Excise, Customs & Service Tax, Division I, Vapi	Manufacturer's Depot
10	V-Trans (India) Godown, Plot No. A-15 (Part), Gala No. 2, Sanathnagar Railway Station Road, APIE, Balanagar, Kukatpally, Hyderabad, Andhra Pradesh	AACB3313MEM010: May 20, 2010	Assistant Commissioner of Central Excise, Customs & Service Tax, Division I, Vapi	Manufacturer's Depot

15. Consent No. BO/PCI-II/ROK/R/EIC No. NK-3385-09/3981-09/CC-237 granted by the Maharashtra Pollution Control Board to operate the factory situated at A-32 to 35 & 37, STICE Sinnar, Nashik. Consent valid upto April 30, 2011.

16. Consent No. RON/NASHIK/CON-82/1955 granted by the Maharashtra Pollution Control Board to operate the factory situated at Plot No.B-113, STICE, Musalgaon, Sinnar, Nashik. Is valid until April 30, 2013.

17. Consent No.BO/ROK/NASHIK /PCI-II/725-06/O/CC-100 dated July 3,2006 granted by the Maharashtra Pollution Control Board to operate the factory situated at Plot No. A-70 TO 72 STICE, Musalgaon, Sinnar, Nashik. Valid until February 28, 2011.



18. Consent No. RON/NASHIK/CON-80/1953 granted by the Maharashtra Pollution Control Board to manufacture Barbed Wire, Stay Wire and wire Products upto a maximum quantity of 5,000 MT/year in the said factory situated at Plot No. B 140, STICE, Shirdi Road, Sinnar Nashik is valid until September 30, 2013

19. Service Tax Registration

Sr. No.	Location	Service Tax Code and Date	Issued By	Remarks
1.	GUT No. 270(274) 8/1, Sinnar Shirdi Road, Nashik	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road; Business Auxiliary Services; Scientific and Technical Consultancy
2.	Plant-1, Plot No. 31 to 35 & 57, STICE, Shirdi Road, Sinnar Nashik	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road; Business Auxiliary Services; Scientific and Technical Consultancy
3.	Plant-2, Plot No. 70, 71 and 72, STICE, Shirdi Road, Sinnar Nashik	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road ;Business Auxiliary Services; Scientific and Technical Consultancy
4.	Plant-3, Plot No. B 113 STICE, Shirdi Road, Sinnar Nashik	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road ;Business Auxiliary Services; Scientific and Technical Consultancy
5.	Plant-4, Plot No. B 140, STICE, Shirdi Road, Sinnar Nashik	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road Business Auxiliary Services; Scientific and Technical Consultancy
6	V-Trans (India) Godown, Gala No. 5, 40 Shed Area, GIDC, Vapi Pardi, Valsad	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road ;Business Auxiliary Services; Scientific and Technical Consultancy
7	2/1, Transport House, Tikuria Tola, Satna, Madhya Pradesh	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road ;Business Auxiliary Services; Scientific and Technical Consultancy
8	Plot No. 49/40-B, Sarvabhousmanagar, Bannerghata Road,	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road ;Business Auxiliary Services;



Sr. No.	Location	Service Tax Code and Date	Issued By	Remarks
	Bangalore			Scientific and Technical Consultancy
9	Silvassa 396230	AABCB3313MST003: July 29, 2010	Dy/Asst. Commissioner of Central Excise and Customs, Service Tax Cell Nasik	Transport of Goods by Road ;Business Auxiliary Services; Scientific and Technical Consultancy

20. Eligibility Certificate no. DIC(I)/1993/Nashik/01632/DEFERRAL/12154 dated October 22, 2008 for Sales tax incentive under Package Scheme of Incentive, 1993 of Government of Maharashtra granted to Ajay Wire Products Pvt. Ltd. (now merged with the Company). The eligibility period being 42 months i.e. from December 1, 2008 to May 31, 2012. Based on the Eligibility Certificate, Ajay Wire Products Pvt. Ltd. (now merged with the Company) was granted a Certificate of entitlement no. 27590050306V/5/R-81/1202 dated October 22, 2008 for availing of sales tax incentive under Package Scheme of Incentive, 1993 of Government of Maharashtra by way of deferment of sales tax liability in respect to the industrial unit situated at Plot No. B 140, STICE, Shirdi Road, Sinnar Nashik. The eligibility of the sales tax incentives is for a present amount of Rs. 45,53,000/- subject to certain conditions and annual review/monitoring.
21. Eligibility Certificate no. DIC(I)/1993/Nashik/0347/DEFERRAL/1473 dated February 2, 2006 for Sales tax incentive under Package Scheme of Incentive, 1993 of Government of Maharashtra granted to erstwhile Kamdhenu Wires Pvt. Ltd. (now merged with the Company). The eligibility period being March 1, 2006 to May 31, 2012. Based on the Eligibility Certificate, the erstwhile Kamdhenu Wires Pvt. Ltd. (now merged with the Company) was granted a Certificate of entitlement no. 422103/s/R.81/1192 dated March 1, 2006 for availing of sales tax incentive under Package Scheme of Incentive, 1993 of Government of Maharashtra by way of deferment of sales tax liability in respect to the industrial unit situated at Plot No. B 113, STICE, Shirdi Road, Sinnar Nashik. The eligibility of the sales tax incentives is for a present amount of Rs. 1,14,08,000/- subject to certain conditions and annual review/monitoring.
22. Eligibility Certificate no. DIC(I)/1993/Nashik/01198/DEFERRAL/279 dated January 12, 2001 for Sales tax incentive under Package Scheme of Incentive, 1993 of Government of Maharashtra granted to erstwhile Shriram Wire Pvt. Ltd. (now merged with the Company). The eligibility period being 117 months i.e. from March 1, 2001 to November 30, 2010. Based on the Eligibility Certificate, the erstwhile Shriram Wire Pvt. Ltd. (now merged with the Company) was granted a Certificate of entitlement no. 422103/S/R31B/923 dated February 13, 2001 for availing of sales tax incentive under Package Scheme of Incentive, 1993 of Government of Maharashtra by way of deferment of sales tax liability in respect to the industrial unit situated at Plot No. A - 70, 71, 72, STICE, Shirdi Road, Sinnar Nashik. The eligibility of the sales tax incentives is for a present amount of Rs. 5,33,82,000/- subject to certain conditions and annual review/monitoring.
23. Tax Payer Identification Number (TIN) (central) 27210110364C granted by the Sales Tax Officer (Registration) Nasik authority under the Central Sales Tax (Registration & Turnover) Rules, 1957 effective from April 1, 2006. Valid until cancellation.
24. Tax Payer Identification Number (TIN) 25512454078 granted by the VAT Registering Authority, Central Registration Unit, Hyderabad under the Central Sales Tax (Registration & Turnover) Rules, 1957 effective from May 1, 2010. Valid until cancellation.



25. Value Added Tax registration No. 27210110364V granted by the Sales Tax Officer (Registration) Nasik under Section 16 of the Maharashtra Value Added Tax Act, 2002 effective from April 1, 2006. Valid until cancelled.
26. Value Added Tax registration No. 29110749131 granted by the Sales Tax Officer (Registration) Bangalore, under Section 22 of the Karnataka Value Added Tax Act, 2003 effective from February 27, 2007. Valid until cancelled.
27. Value Added Tax registration No. 26001000775 granted by the Asst. Commissioner of Value Added Tax, Dadra & Nagar Haveli, Silvassa under Dadra & Nagar Haveli Value Added Tax Regulation, 2005 effective from January 10, 2007. Valid until cancelled.
28. Value Added Tax registration No. 23697103575 granted by the Commercial Tax Officer, Satna, Cr.-2 effective from February 15, 2007. Valid until cancelled.
29. Value Added Tax registration No. 25000007996 granted by the Asst. Value Added Tax Officer under Rule 14 of the Daman and Diu Value Added Tax Rules, 2005 effective from January 11, 2007. Valid until cancelled.
30. Value Added Tax registration No. 28499059590 granted by the Commercial Tax Officer, VAT Registering Authority, Balanagar Circle, Hyderabad (Rural) Division effective from May 1, 2010. Valid until cancelled.
31. Registration No. PT/R/1/5/13/297 granted under Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975 issued by Professions Tax Officer, Nashik dated October 29, 1998. Valid until cancelled.
32. Approval by the Power Grid Corporation of India Limited vide its letter dated October 24, 2005 for supply of High Tensile Galvanised Steel Core Wire for ACSR conductor subject to the Manufacturing Quality plan ("MQP") being approved. Power Grid Corporation of India Limited vide its letter dated June 10, 2009 approves the MQP for 2.54, 3.00, 3.18 and 3.53 mm HTGS core wire upto May 31, 2012. It is also stated in the MQP that the approval shall be read in conjunction with Project specific technical specification. Also, incase of encountering of the problem, Power Grid Corporation of India inter-alia has the right to withdraw the MQP at any stage.
33. Certificate of Registration No 45/2008/ACL/VAL/CLL granted to the Company under Contract Labour Act (R&A) Act, 1970 to employ contract labour from the contractors viz. Meenakshi Services, Nashik, M/s Om Enterprises, Sinnar and Harshvardhan Contractors valid until December 31, 2010.
34. Certification granted by Bureau of Indian Standards (BIS)

Sr. No	Product Certified	Number of License/ Registration	Valid Upto
1	Aluminum conductors for overhead transmission purposes: part 2 aluminum conductors, galvanized steel reinforced	CML No.- 7379490, IS No.- IS 398 : Part 2 : 1996	June 15, 2011
2	Mild Steel wire for general engineering purposes	CML No.- 7252870, IS 280 : 2006	March 15, 2011



Sr. No	Product Certified	Number of License/ Registration	Valid Upto
3	Mild steel wires, formed wires and tapes for armouring of cables	CML No.- 7263774, IS 3975 : 1999	May 31, 2011
4	Aluminium conductors for overhead transmission purposes: part 5 aluminium conductors- galvanized steel reinforced for extra high voltage (400kv and above)	CML No.- 7396288, IS 398 : Part 5 : 1992	November 13, 2010

35. The Company has been certified as ISO 9001:2008 compliant by the Bureau Veritas Certification as on January 11, 2010. Valid until 3 years i.e. January 11, 2013.
36. The Company has been issued the certificate of registration of establishment bearing registration no. 760132239/Commercial II by the Sr. Inspector, the Bombay Shops and Establishments Act, 1948. The certificate is valid until December 21, 2010.
37. The units situated in Sinnar, Nashik is under the non implemented areas and are exempt from the requirements of registration under the Employees State Insurance Act.
38. Sanction for Power Connections from the Maharashtra Electricity Distribution Company Limited

Sr. No.	Location	Contract Demand (KVA)
1.	Plot No. 31 to 35 & 57, STICE, Shirdi Road, Sinnar Nashik	800 KVA
2.	Plot No. 70, 71 and 72, STICE, Shirdi Road, Sinnar Nashik	1,000 KVA
3.	Plot No. B 113 STICE, Shirdi Road, Sinnar Nashik	54 KVA
4.	Plot No. B 140, STICE, Shirdi Road, Sinnar Nashik	56 KVA



REGULATORY AND STATUTORY DISCLOSURES

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 November 14, 2009 subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act. The shareholders of our Company authorized and approved this Issue under section 81(1A) of the Act by a Special Resolution at EGM held on November 19, 2009.

Prohibition by SEBI

Our Company, our Directors, our Promoters, Group Companies and other companies promoted by our Promoter and companies/firms with which our Directors are associated as directors or promoters or partners (other than as disclosed in the RHP) 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.

Association of Directors with the securities market

None of our Directors are associated with securities markets in any manner, nor has SEBI initiated any action against them.

Prohibition by RBI

Our Company, our Directors, our Subsidiary, our Promoters, Promoter Group, Group Companies and the companies with which our Directors are associated as directors or promoters (other than as disclosed in the RHP), relatives (as per Companies Act) of Promoters have not been declared as wilful defaulters by the RBI or any other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Compliance with accounting norms

Our Company confirms and undertakes that it shall comply with such disclosures and accounting norms specified by SEBI from time to time.

Eligibility for the Issue

The Company is eligible for the Issue as per regulation 26(1) of the (Issue of Capital and Disclosure Requirements) as confirmed by the Auditors of The Company, M/s. Patil Hiran Jajoo & Co, Chartered Accountants, dated July 26, 2010 as explained under:

- Bedmutha Industries Limited (BIL) has a net tangible assets of at least Rs. 3 crores in each of the preceding three full years (of 12 months each), of which not more than 50% is held in monetary assets;
- BIL has a pre-Issue net worth of at least Rs. 1 crore in each of the three preceding full years (of 12 months each);
- BIL has a track record of distributable profits as per Section 205 of Companies Act , 1956, for at least three out of the immediately preceding five years;
- The proposed Issue size would not exceed five times the pre-Issue net worth.
- The Company has changed its name during the last one year from Bedmutha Wire Company Limited to Bedmutha Industries Limited. However the new name does not suggest any change of activity and company continues to carry on the same activity.



The distributable profits as per Section 205 of the Companies Act and net worth for the last five years as per the restated standalone financial statements are as under:

Particulars	(Rs. in lacs)				
	For the Financial Year Ended March 31				
	2010	2009	2008	2007	2006
Distributable Profits(1)	1650.27	1006.42	408.29	411.51	423.02
Net Worth (2)	2639.20	1842.17	1297.17	740.73	745.66
Net Tangible Assets (3)	3520.84	3858.27	2963.67	1604.99	1578.83
Monetary Assets(4)	463.13	683.46	478.21	351.17	135.72
% of Monetary Assets to Net Tangible Assets	7.03%	17.71%	16.14%	21.88%	8.60%

Note:

- (1) Distributable profits have been defined in terms of section 205 of the Companies Act.
- (2) Net worth has been defined as the aggregate of equity share capital and reserves, excluding miscellaneous expenditures, if any.
- (3) Net tangible assets means the sum of all net assets of the Company excluding intangible assets as defined in Accounting Standard 26 issued by Institute of Chartered Accountants of India.
- (4) Monetary assets comprise of cash and bank balances, public deposit account with the Government.

The Company satisfies all the eligibility criterias, laid down in regulation 26(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulation. However, the Company is doing a "voluntary book-building issue" wherein the Company proposes to allot upto 50% of the Issue to QIBs and under-subscription, if any, in the QIB portion will be added back to the Issue to public.

The promoters, the company, directors of Bedmutha Industries Limited are not detained as willful defaulters by the RBI/ GOI authorities and there are no violations of securities laws committed by them in the past or pending against them other than those disclosed in this Offer Document.

No penalty has been imposed by SEBI and other regulatory bodies against the company, its directors, its promoters and companies promoted their directors.

BIL undertakes that the number of allottees in the Issue shall be at least 1,000. Otherwise, the entire application money shall be refunded forthwith. In case of delay, if any, in refund, the Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

Compliance with Part A of Schedule VIII of the SEBI Regulations

The Company is in compliance with the provisions specified in Part A of Schedule VIII of the SEBI Regulations. No exemption from eligibility norms has been sought under regulation 109 of the SEBI Regulations, with respect to the Offer. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSES

SEBI DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER



DOCUMENT. THE LEAD MERCHANT BANKERS KEYNOTE CORPORATE SERVICES LIMITED AND ASHIKA CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS KEYNOTE CORPORATE SERVICES LIMITED AND ASHIKA CAPITAL LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 09, 2010 WHICH READS AS FOLLOWS:

- (1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- (3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF



COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.

- (6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
- (7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.
– NOT APPLICABLE
- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- (9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.
- (10) WE CERTIFY THAT SINCE THE PROPOSED ISSUE SIZE IS MORE THAN RS.10 CRORES, THE PROVISION RELATING TO OPTION TO THE INVESTORS TO GET THE SHARES IN PHYSICAL MODE IS NOT APPLICABLE IN TERMS OF SECTION 68B OF THE COMPANIES ACT, 1956.
- (11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- (12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS
- (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND



- (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- (13)WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
- (14)WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.
- (15)WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKERS ANY IRREGULARITIES OR LAPSES IN OFFER DOCUMENT."

The Promoters / Directors of Bedmutha Industries Limited, Mr. Kachardas R. Bedmutha, Mr. Vijay K. Vedmutha, Mr. Ajay K. Vedmutha, Mrs. Usha V. Vedmutha, Bedmutha Sons Realty Ventures Private Limited, Mr. A. Balasubramanian, Mr. Narayan Marotrao Kadu, and Mr. Shital Nahar confirms that no information/material likely to have a bearing on the decision of investors in respect of the shares offered in terms of this Red Herring Prospectus has been suppressed withheld and / or incorporated in the manner that would amount to mis-statement/misrepresentation and in the event of its transpiring at any point in time till allotment/refund, as the case may be, that any information/material has been suppressed/withheld and/ or amounts to a mis-statement/ misrepresentation, the promoters/directors undertake to refund the entire application monies to all subscribers within 7 days thereafter without prejudice to the provisions of section 63 of the companies act

CAUTION - DISCLAIMER STATEMENT FROM THE COMPANY AND BRLMs

Our Company , the BRLMs accept no responsibility for statements made otherwise than in the Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information including website of the company bedmutha.com, would be doing so at his own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into among the Book Running Lead Managers and our Company and the Underwriting Agreement to be entered into between the Underwriter and our Company.

All information shall be made available by our Company, the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.



Neither our Company nor the Syndicate Members are liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors that bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLMs and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge, or transfer the Equity Shares of the Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company. Our Company, the BRLMs and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are 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) Public financial institutions as specified in Section 4A of the Companies Act, venture capital funds registered with SEBI, national investment funds, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2500 lacs and pension funds with minimum corpus of Rs. 2500 lacs, and and to NRIs, multilateral and bilateral institutions, FII's 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 Nashik 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.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Disclaimer Clause of BSE

"Bombay Stock Exchange Limited ("the Exchange") has given vide its letter dated May 05, 2010, 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 NSE

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter ref.: NSE/LIST/140118-V June 15, 2010 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinised this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer 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 any other reason whatsoever."

FILING

A copy of the DRHP and the RHP has been filed with the Head Office of SEBI at:

SEBI Bhavan,
Plot No. C-4-A, 'G' Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under 60B of the Companies Act has been delivered for registration to the

Registrar of Companies,

100 Everest Building,
Marine Drive
Mumbai - 400002

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 and National Stock Exchange of India Limited, for permission to deal in and for an official quotation of the Equity Shares to be issued under the present public offer pursuant to this document.

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. In-principle approvals for listing of the equity shares of the Company from BSE and NSE have been received *vide* their letters dated May 05, 2010 and June 15, 2010 respectively.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by BSE and NSE, 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 15 days from the date of Bid/ Issue Closing Date, whichever is earlier, then we and all our directors who is an officer in default shall, on and from such expiry of 8 days, jointly and severally shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

We shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at BSE and NSE are taken within 12 (Twelve) working days of from the closing of 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 Managers 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
12. IPO Grading Agency

** Consents from the Escrow Collection Banks and Syndicate Members shall be obtained prior to the filing of the Red Herring Prospectus with the RoC. Other consents mentioned herein above have been obtained prior to filing of the Draft Red Herring Prospectus with the SEBI.*

The said consents has been 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 RoC.

M/s. Patil Hiran Jajoo & Co., Chartered Accountants, 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. Patil Hiran Jajoo & Co., Chartered Accountants, 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 opinion.

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 Lacs)				
Sr. No	Particulars	Amount	% of total Issue Expenses	% of total Issue size
1.	BRLMs fees, Underwriting & Brokerage	[•]	[•]	[•]
2.	Registrars fees including postage	[•]	[•]	[•]
3.	Legal Advisor's fees	[•]	[•]	[•]
4.	Bankers to the Issue	[•]	[•]	[•]
5.	Stock Exchange fees for providing bidding terminals	[•]	[•]	[•]
6.	SEBI fees on filing of Offer Document	[•]	[•]	[•]
7.	Printing & Distribution of Stationary	[•]	[•]	[•]
8.	Advertisement and Marketing expenses	[•]	[•]	[•]
9.	Commission to syndicate members and SCSBs	[•]	[•]	[•]
10	Other Miscellaneous expenses (Auditors fees, Listing Fees, etc)	[•]	[•]	[•]
	Total	[•]	[•]	[•]

Previous Rights and Public Issues

The company has not made any previous rights and public issues in India or abroad in the five years preceding the date of this RHP

Previous issues of shares otherwise than for Cash

Except as stated in the section titled "Capital Structure" on page 33 of this RHP, the company has not made any previous issues of shares for consideration otherwise than for cash.

Underwriting Commission, brokerage, and selling commission on Previous Issues

Since this is the Initial Public Offer of the company no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our equity shares since our inception.

FEES PAYABLE TO THE BRLMs, BROKERAGE AND SELLING COMMISSION

The total fees payable to the BRLMs including underwriting & brokerage if any for the Issue will be as per the Memorandum of Understanding executed between our Company and the BRLMs dated February 06, 2010 with Ashika Capital Limited and dated March 05, 2010 with Keynote Corporate Services Limited. 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, Mondkar Computers Pvt. Ltd., will be as per the Memorandum of Understanding executed between our Company and the Registrar dated November 19,



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.

COMPANIES UNDER SAME MANAGEMENT

No company under the same management (within the meaning of section 370(1)(B) of the Companies Act) as us has made any capital issue during the last three years.

PERFORMANCE V/S OBJECTIVES

The Company has not undertaken any previous public or rights issue. None of the Group Entities, associates and Subsidiaries of the Company are listed on any stock exchange.

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

This being an Initial Public Offering of our company, the equity shares of our company are not listed on any Stock Exchange.

MECHANISM FOR REDRESSAL OF INVESTOR'S GRIEVANCES

The agreement between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least six months from the last date of despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

DISPOSAL OF INVESTOR'S GRIEVANCES AND REDRESSAL MECHANISM

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Mr. Nilesh Amrutkar, Company Secretary of our Company as the Compliance Officer for this Issue and he may be contacted in case of any pre-Issue or post-Issue related problems, at the following address:

Bedmutha Industries Limited

A-32, STICE, Sinnar,

Nashik-422 103, (Maharashtra India)

Email: complianceofficer@bedmutha.com

**Changes In Auditors During The Last Three Years**

Name of Auditor	Financial Year
M/s N.K. Muni & Co.	2006-07
M/s Patil Hiran Jajoo & Co.	2007-08 till date

CAPITALISATION OF RESERVES OR PROFITS DURING THE LAST FIVE YEARS:

Our company has issued 33,49,488 Equity Shares in the ratio of one Equity Shares of Rs. 10 each for every one Equity Share held by way of Bonus by capitalization of free reserves on March 19, 2008 .

On August 29, 2008, Hon'ble High Court of Mumbai passed the Order of amalgamation of M/s. Ajay Wire Private Limited, Kamdhenu Wire Private Limited and Shriram Wire Private Ltd are being amalgamated with Bedmutha Industries Limited, sanctioning the Scheme of Amalgamation u/s.391-394 of Companies Act, 1956. On December 05, 2008, our Company allotted 22,96, 862 fully paid up equity shares pursuant to Scheme of Amalgamation.

Further, our company has issued 30,06,850 Equity Shares in the ratio of one Equity Share of Rs. 10 each for every three shares held by way of Bonus by capitalization of free reserves on October 10, 2009.

REVALUATION OF ASSETS DURING THE LAST FIVE YEARS

The company has not revalued its assets in the last five years.



SECTION VI - OFFERING INFORMATION

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.

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 November 14, 2009 subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act. The shareholders of our Company authorized and approved this Issue under section 81(1A) of the Act by a Special Resolution at EGM held on November 19, 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. 298 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. 95/- and the Cap Price is Rs. 102/- 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. 298 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 Regulations, 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 65 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 allotted 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. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office/ Corporate Office of our company or to the registrar and transfer agents of our company.

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

1. To register himself or herself as the holder of the Equity Shares; or
2. To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety 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 changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription:

If our Company does not receive the minimum subscription of 90% of the Issue 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 8 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.

Restriction on transfer of shares

There are no restrictions on transfers and transmission of Equity Share and on their consolidation/ splitting except as provided in our Articles. See the section titled —Main Provisions of the Articles of Association beginning on page 298.

New financial instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes etc. issued by our Company.

Option to receive securities in Dematerialised Form

Allotment to all successful Bidders will only be in dematerialised form. Bidders will not have the option of receiving Allotment of the Equity Shares in physical form.



ISSUE STRUCTURE

This Issue is being made through a 100% Book Building Process. The Issue comprises of 90,00,000 equity shares of Rs. 10/- each for cash at a price of Rs. [●] per equity share including a share premium of Rs. [●] per equity share aggregating to Rs. [●] Lacs (hereinafter referred to as the "Issue") . The issue would constitute 42.80% 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 *	Upto 45,00,000 Equity Shares of Rs 10 each at a price of Rs. [●] aggregating to Rs [●] Lacs	Not less than 13,50,000 Equity Shares of Rs 10 each at a price of Rs [●] aggregating to Rs [●] Lacs	Not less than 31,50,000 Equity Shares of Rs 10 each at a price of Rs[●] aggregating to Rs[●] Lacs
Percentage of Issue Size available for allotment	Upto 50% of the Issue or Issue less allotment to Non-Institutional Bidders and Retail Individual Bidders. However, 5% of the QIB portion shall be available for allotment on proportionate basis to Mutual funds only. Mutual Funds participating in the 5% reservation in the QIB portion will also be eligible for allotment in the remaining QIB portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not less than 15% of Issue or Issue less allotment to QIB Bidders and Retail Individual Bidders.	Not less than 35% of Issue or Issue less allotment to QIB Bidders and Non-Institutional Bidders
Basis of allotment 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 allotment as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares in multiples of 65 Equity Shares so that the Bid Amount exceeds Rs. 1,00,000.	Such number of Equity Shares in multiples of 65 Equity Shares so that the Bid Amount exceeds Rs. 1,00,000.	65 Equity Shares
Maximum Bid	Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits.	Such number of Equity Shares whereby the Bid amount does not exceed Rs. 1,00,000/-.
Mode of Allotment	Dematerialized mode.	Dematerialized mode.	Dematerialized mode.
Trading Lot/Market	One (1) Equity Share.	One (1) Equity Share.	One (1) Equity Share.



Particulars	QIBs	Non Institutional Bidders	Retail Individual Bidders
lot			
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 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, 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 or the ASBA Form to the SCSB.	Margin Amount applicable to Non Institutional 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 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	Full amount on bidding	Full amount on bidding	Full amount on bidding

*Up to 50% of the Net Offer shall be allocated to QIBs on a proportionate basis subject to valid Bids received at a price above the Floor Price. 5% of the QIB Portion shall be available for allotment on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allotment on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them above the Floor Price. However, if the aggregate demand from Mutual Funds is less than 2,25,000 Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated to the QIBs on proportionate basis. Further, not less than 15% of the Net Offer will be available for allotment on a proportionate basis to Non-Institutional Bidders subject to valid Bids received at the Floor Price. Additionally, not less than 35% of the Net Offer will be available for allotment to Retail Individual



Bidders subject to valid Bids being received at the Floor Price. Under-subscription in any category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs. For further details, see “**Issue Procedure**” on page 261.

******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.

******* Investor are also eligible to apply through ASBA process, for details please refer Section “ASBA Process” on page no. 287 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.

Withdrawal of the Issue:

Our Company, in consultation with the BRLMs reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares without assigning any reason therefore. If our Company withdraws from the Issue, it shall issue a public notice that shall include reasons for such withdrawal, within two days of the closure of the Issue. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company will also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, it will file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges and (ii) the final RoC approval of the Prospectus after it is filed with the Stock Exchanges.

Bid/Issue Programme:

BID/ISSUE OPENS ON	TUESDAY, SEPTEMBER 28, 2010
BID/ISSUE CLOSING ON	FRIDAY, OCTOBER 01, 2010

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

In case of discrepancy in the data entered in the electronic book vis-à-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. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing date, the bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, not later than the times mentioned above on the Bid/Issue Closing Date. The time mentioned in the RHP is Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allotment under the Issue. If such Bids are not uploaded, the Issuer, BRLMs, Syndicate Members and the SCSB will not be responsible. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holidays).



The Company reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI Regulations, provided that the Cap Price is less than or equal to 120% of the Floor Price. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least two day before the Bid /Issue Opening Date.

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



ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% book building method where in not more than 50% of the Issue to Public shall be allocated on a proportionate basis to Qualified Institutional Buyers with 5 % to mutual funds only and the remainder of the Qualified Institutional Buyers portion shall be available for allotment 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 Issue to Public shall be available for allotment on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue to Public shall be available for allotment 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 BRLMs, 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 BRLMs would 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 color of the Bid-cum-Application Form for various categories is as follows:

Category	Colour of Bid-cum-Application Form
Resident Indians, Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs and FIIs applying on a repatriation basis	Blue
ASBA Form	ASBA -Green

ASBA Bidders shall submit an ASBA Bid cum Application Form either in physical or electronic form to the SCSB authorizing blocking funds that are available in the bank account specified in the ASBA Bid cum

Application Form used by ASBA Bidders. The ASBA Bidders can only provide one Bid in the ASBA Bid cum Application Form at Cut-off Price. Upon the allotment of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form.



Upon completing and submitting the ASBA Bid cum Application Form to the SCSB, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

Who Can Bid?

1. Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);
2. 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;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in Equity shares;
4. Indian mutual funds registered with SEBI;
5. Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI regulations and SEBI Regulations, as applicable);
6. Venture capital funds registered with SEBI;
7. Foreign venture capital investors registered with SEBI;
8. State Industrial Development Corporations;
9. Insurance companies registered with the Insurance Regulatory and Development Authority;
10. Provident funds with minimum corpus of Rs.2500 Lacs and who are authorized under their constitution to invest in Equity Shares;
11. Pension funds with minimum corpus of Rs.2500 Lacs and who are authorized under their constitution to invest in Equity Shares;
12. Multilateral and bilateral development financial institutions;
13. National Investment Fund set up by resolution F.No. 2/3/2005-DD-11 dated November 23, 2005 of Government of India.
14. 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;
15. Eligible Non-residents including NRIs and FIIs on a repatriation basis or on a non- repatriation basis subject to applicable local laws; and
16. Scientific and/or industrial research organizations authorized under their constitution to invest in equity shares.
17. Any other QIBs permitted to invest, subject to compliance with applicable laws, rules, regulations, guidelines and approvals;
18. Eligible employees
19. All other persons eligible to invest under all applicable laws, rules, regulations and guidelines.

As per existing regulations, OCBs are prohibited from investing in this Issue.

Participation by associates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Members are entitled to subscribe for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such investors. Such bidding and subscription may be on their own account or their clients.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.



Bidders are advised to provide bank account details in the space provided in the application form and applications that do not contain such details are liable to be rejected.

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. 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.
3. Bids by Persons not competent to contract under the Indian Contract Act, 1872, including minors, insane Persons;
4. Bids for lower number of Equity Shares than specified for that category of investors;
5. Bids at a price less than the lower end of the Price Band;
6. Bids at a price more than the higher end of the Price Band;
7. Bids at cut-off price by Non-Institutional and QIB Bidders;
8. Bids for number of Equity Shares, which are not in multiples of 65;
9. Category not ticked;
10. Multiple bids as defined in this RHP;
11. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
12. Bids accompanied by Stock invest/money order/ postal order/ cash;
13. 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
14. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
15. Bids by OCBs;
16. 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
17. Bids by NRIs not disclosing their residential status;
18. If GIR number is mentioned instead of PAN number.
19. Bids or revision thereof by QIB Bidders and Non-Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 uploaded after 5.00 P.M. on the Bid Closing Date;
20. Bank account details for the refund not given;
21. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
22. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines and approvals;
23. Bids that do not comply with the securities laws of their respective jurisdictions; and
24. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws.

Bids by Mutual Funds

Under the ICDR Regulations, 5% of the QIB Portion, i.e. 2,25,000 Equity Shares have been specifically reserved for mutual funds on a proportionate basis. An eligible Bid by a Mutual Fund in the Mutual Fund Portion shall first be considered for allotment proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Fund Portion is greater than 2,25,000 Equity Shares, allotment shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allotment proportionately out of the remainder of the Net QIB Portion, after excluding the allotment in the Mutual Fund Portion.

The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which such Bids are made.



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

Eligible NRI Bidders to comply with the following:

- Individual Eligible NRI Bidders can obtain the Bid cum Application Forms from our Registered Office, members of the Syndicate or the Registrar to the Issue.
- Eligible NRI Bidders may please note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for allotment. Eligible 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. 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.

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, each as amended, prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, the investment by any VCF registered with SEBI should not exceed 25% of the corpus of the venture capital fund. However, venture capital funds or foreign venture capital investors may invest not more than 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

The 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 DRHP 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 allotment.

Bids by non-residents including NRIs, FIIs and Foreign Venture capital Funds registered with SEBI on a repatriation basis.

The above information is given for the benefit of the Bidders. Our Company, the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable investment limits under laws or regulations or maximum number of Equity Shares that can be held by them under applicable laws. The Company and the BRLMs, do not accept any responsibility for the completeness and accuracy of the information stated hereinabove.

Bids and Revision to Bids :

1. On the prescribed Bid cum Application Form or Revision Form, as applicable (white for Resident Indians and Eligible NRIs applying on a non-repatriation basis, blue colour for NRIs, FVCIs and FIIs applying on a repatriation basis, white for ASBS Bidders) and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.
2. In a single name or joint names (not more than three, and in the same order as their Depository Participant details).
3. NRIs for a Bid Amount of up to Rs. 1,00,000 would be considered under the Retail Bidders portion for the purposes of allotment 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 allotment; 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 65 thereafter that the Bid Amount exceeds Rs. 1,00,000; for further details see "Maximum and Minimum Bid Size" at page no. 266 of this RHP.
4. 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.
5. 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. 287 of this RHP

The above information is given for the benefit of the Bidders. The Company 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 65 number of Equity Shares and in multiples of 65 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: Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100,000 and in multiples of 65 Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations.

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 allotment 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 allotment 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

- a) The Company will file the RHP with the RoC at least 3 (three) days before the Bid/Issue Opening Date.
- b) The Price Band shall be advertised at least two days 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.
- c) The members of the Syndicate will circulate copies of the RHP along with the Bid-cum-Application Form to their potential investors.
- d) 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 BRLMs or from a member of the Syndicate.
- e) 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.
- f) The Members of the Syndicate shall accept Bids from the Bidder during the Bidding Period in accordance with the terms of the Syndicate Agreement.

Method and Process of bidding

- We, with the BRLMs 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 BRLMs 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.
- The Members of the Syndicate shall accept Bids from all the Bidders and shall have the right to vet the Bids, during the Bidding Period in accordance with the terms of the Syndicate Agreement and Red Herring Prospectus.
- 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 267 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 allotment and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.
- 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. 261 of this RHP.
- 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.
- Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the ‘Issue procedure beginning’ on page 261 of the RHP.

Bids at Different Price Levels

1. The Price Band shall be advertised at least two days 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 also on the websites of the BRLMs 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 65 shares
2. In accordance with SEBI (ICDR) Regulations 2009, our company, in consultation with the BRLMs 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 (Hindi) and also indicating the change on the relevant websites of the BRLMs, the Company and the terminals of the members of the Syndicate.
4. Our Company in consultation with the BRLMs can finalize the Issue Price within the Price Band in accordance with this clause, 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 allotment 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 allotment, 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 65 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. Please refer section "ASBA Process" on page no. 287 of this RHP.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

1. 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).
2. 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.
3. The Bids from the Retail Individual Bidders must be for a minimum of 65 Equity Shares and in multiples of 65 thereafter subject to a maximum of Rs. 1, 00,000.
4. 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 65 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.
5. In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
6. 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.

Application in the Issue

Equity Shares being issued through this RHP can be applied for in the dematerialized form only.



Escrow Mechanism

(a) 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.

(b) 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. 287 of this RHP

Terms of Payment and Payment into the Escrow Collection Account

Each Bidder, shall provide the applicable Margin Amount, with the submission of the Bid cum Application Form by drawing a cheque or demand draft for the maximum amount of the Bid in favour of the Escrow Account(s) of the Escrow Collection Bank(s) (for details see the —**Issue Procedure- Payment Instructions** on page 269, and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid cum Application Forms accompanied by cash/ money order shall not be accepted. The Bidder may also provide the applicable Margin Amount by way of an electronic transfer of funds through the RTGS mechanism. Each QIB shall provide its Margin Amount only to the members of the Syndicate. The Margin Amount based on the Bid Amount has to be paid at the time of the submission of the Bid cum Application Form. The Margin Amount shall be entered and printed on the TRS which shall be furnished upon request.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold such monies for the benefit of the Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account(s), as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds. No later than 10 working days from the Bid/Issue Closing Date, the Bank(s) shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment to the Bidders. Each category of Bidders i.e., QIB Bidders, 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 Amount payable by each category of Bidders is mentioned under the —**Issue Structure** on page 257 .

Where the Bidder has been allocated lesser number of Equity Shares than he or she had Bid for, the excess amount paid on Bidding, if any, after adjustment for allocation/ transfer, will be refunded to such Bidder within 10 workig days from the Bid/Issue Closing Date, failing which our Company shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

For ASBA Process, please refer section “ASBA Process” on page no. 287 of this RHP.

Electronic Registration of Bids

- The members of the Syndicate will register the Bids using the on-line facilities of BSE and NSE. There will be on-line connectivity to each city where a Stock Exchange is located in India and the Bids are accepted.
- The members of the Syndicate and the SCSBs will undertake modification of selected fields in the Bid



- details already uploaded within one Working Day from the Offer Closing Date.
- 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.
 - 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.
 - 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:
 - (a) 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.)
 - (b) Investor Category –Individual, Corporate, NRI, FII, or Mutual Fund, etc.
 - (c) Numbers of Equity Shares bid for.
 - (d) Bid price.
 - (e) Bid-cum-Application Form number.
 - (f) Whether Margin Amount is made upon submission of Bid-cum-Application Form.
 - (g) Depository Participant Identification No. and Client Identification No. of the Demat Account of the Bidder.
 - 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.
 - Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
 - The BRLMs,/ 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.263 in this RHP.
 - It is to be distinctly understood that the permission given by BSE and NSE to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company and BRLMs are cleared or approved by BSE; 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.
 - It is also to be distinctly understood that the approval given by BSE/NSE should not in any way be deemed or construed that this RHP has been cleared or approved by BSE/NSE 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/NSE.
 - For ASBA Process, please refer section “ASBA Process” on page no. 287 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 BRLMs 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) 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) QIB Bidders shall not be allowed to withdraw their bids after the closure of the Issue.
- (h) 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.
- (i) 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.**
- (j) In case of discrepancy of data between BSE/NSE and members of the Syndicate, the decision of the BRLMs based on the physical records of BSE/NSE shall be final and binding to all concerned.

Price Discovery and Allotment

- (a) After the Bid/Issue Closing Date, the BRLMs shall analyze the demand generated at various price levels and discuss pricing strategy with the Company.
- (b) The Company, in consultation with the BRLMs shall finalise the "Issue Price", the number of Equity Shares to be allotted in each investor category.
- (c) The allotment to Non-Institutional Bidders and Retail Individual Bidders would be on proportionate basis, in the manner specified in the SEBI (ICDR) Regulations, 2009, 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, upto 50% of the Issue shall be available for allotment on a proportionate basis to QIB Bidders out of which 5% shall be available for allotment to Mutual Funds. Mutual Funds participating in the 5% share in the QIB portion will also be eligible for allotment 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 allotment 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 allotment on a proportionate basis to Non Institutional Bidders and at least 35% of the issue shall be available for allotment 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 other category at the discretion of the company, in consultation with the BRLMs, and the Designated Stock Exchange.

- (e) QIB Bidders will be required to deposit full bid Amount at the time of submitting of their Bids.
- (f) Allotment 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 allotment to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- (h) In terms of the SEBI Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.
- (i) 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, 2009, QIB bidders shall not be allowed to withdraw their bid after the bid / issue closing date.
- (j) 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 by QIBs bidding in the QIB Portion, if any will be made at the time of submission of Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing.
- (k) The allotment details shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and ROC Filing

- 1. The Company, the BRLMs, and the Syndicate Members shall enter into an Underwriting Agreement on finalization of the Issue Price and allocation(s) to the Bidders.**
- 2. After signing the Underwriting Agreement, the updated Red Herring Prospectus will be filed by the Company with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.**

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 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 the DRHP from SEBI, publish an advertisement, in the form prescribed by the SEBI (ICDR) Regulations, 2009 in two widely circulated newspapers (one each in English and Hindi).



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.

Issuance of Confirmation of Allotment Note

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 allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allotment 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.

Designated Date and Allotment of Equity Shares

- (a) The Company will ensure that the allotment of Equity Shares is done within 9 working days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, 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 working days of the Bid/Issue Closing Date, interest would be paid to the investors at the rate of 15% per annum.
- (b) **In accordance with the SEBI (ICDR) Regulations, 2009, 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-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.
- (c) 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:

- Check if you are eligible to apply having regard to applicable laws, rules, regulations, guidelines and approvals and the terms of this RHP;
- Read all the instructions carefully and complete the Bid-cum-Application Form
- Ensure that the details about Depository Participant and Beneficiary Account are correct, as Allotment of Equity Shares will be in the dematerialized form only. Ensure that the Bids are submitted at the Bidding Centers only on forms bearing stamp of the Syndicate Member;
- 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.
- Ensure that you have been given a TRS for all your Bid options;
- Submit Revised Bids to the same Syndicate Member through whom the original Bid was placed and obtain a revised TRS;
- Ensure that the Bid is within the Price Band.
- **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.

- 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 Margin Amount which is 100% for all categories.
- (l) 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

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 BRLM 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/Allotment 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/ Allotment 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/ allotment advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the 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 BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case 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 FII's, 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 Lacs and pension fund with the minimum corpus of Rs. 2500 Lacs, 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, the BRLM 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 allotment in the Issue.

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allotment as per the following terms:

Payment into Escrow Account

1. The 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. The payment instruments for payment into the Escrow Account of the Company should be drawn in favour of:
 1. In case of Resident Retail and Non-Institutional Bidders: Escrow Account – BIL Public Issue - R
 2. In case of Non-resident Retail and Non-Institutional Bidders: Escrow Account – BIL Public Issue - NR
 3. In case of Resident QIB Bidders: Escrow Account - BIL Public Issue - QIB- R
 4. In case of Non Resident QIB Bidders: Escrow Account - BIL Public Issue – QIB - NR
3. 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.
4. 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.
5. 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.
6. The monies deposited in the Escrow Account of the Company will be held for the benefit of the Bidders till the Designated Date.



7. 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.
8. Not later than 10 working 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 allotment to the Bidders.
9. 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.
10. For ASBA Process, please refer section "ASBA Process" on page no. 287.

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 (ICDR) Regulations, 2009, 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")

The requirement of UIN has been discontinued and irrespective of the amount of transaction, PAN is the sole identification number for all participants in the securities market.

Our Right to Reject Bids

In case of QIB Bidders, our Company in consultation with the BRLMs may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made through any of the modes described in the Red Herring Prospectus and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected inter-alia on the following technical grounds:

1. Amount paid 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 65;
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;
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.

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 de-materialised form, (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two tripartite agreements have been signed among our Company, the Depositories and the Registrar,

1. An Agreement dated 18/02/2010 among NSDL, our Company and Mondkar Computers Pvt. Ltd. and
2. An Agreement dated 09/02/2010 among CDSL, our Company and Mondkar Computers Pvt. Ltd.

The ISIN number allotted to the Company is INE844K01012.

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 Mr. Nilesh Amrutkar as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Bedmutha Industries Limited

A-32, STICE, Sinnar,

Nashik-422 103, (Maharashtra India)

Email: complianceofficer@bedmutha.com

Tel: 91 – 2551 240481/240631/ 240068/ 240069;

Fax: 91 – 2551 240482;

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 9 working days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 10 working days of Bid/ Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within twelve working days from the Bid/ Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 9 (nine) working days of the Bid/ Issue Closing Date;
- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 9 (nine) working days of the Bid/ Issue Closing Date would be ensured; and
- 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 and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 15 day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance.



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 shall commence on Tuesday, September 28, 2010 and expire on Friday, October 01, 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 and NSE. Successful bidders will be provided with a confirmation of their allotment. The Prospectus will be filed with SEBI and the Registrar of Companies and will be made available to investors. SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful bidders within 9 working 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:

- makes in a fictitious name, an application to a Company for acquiring or subscribing for, any shares therein, or
- Otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”

BASIS OF ALLOTMENT

■ For Retail Individual Bidders

- a. Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allotment to all the successful Retail individual Bidders will be made at the Issue Price.
- b. The Issue size less allocation to Non-Institutional Bidders and QIBs shall be available for allotment to Retail Individual Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.
- c. If the aggregate demand in this category is less than or equal to 31,50,000 Equity Shares aggregating to Rs [●] Lacs at or above the Issue Price, full allotment shall be made to the Retail Individual Bidders to the extent of their valid bids.
- d. If the aggregate demand in this category is greater than 31,50,000 Equity Shares aggregating to Rs [●] Lacs at or above the Issue Price, the allotment shall be made on a proportionate basis up to a minimum of 65 Equity Shares. For the method of proportionate basis of allotment, refer below.

■ For Non Institutional Bidders

- a. Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- b. The Issue size less allotment to QIBs and Retail Portion shall be available for allotment to Non-Institutional Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.



- c. If the aggregate demand in this category is less than or equal to 13,50,000 Equity Shares aggregating to Rs [●] Lacs at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- d. In case the aggregate demand in this category is greater than 13,50,000 Equity Shares aggregating to Rs [●] Lacs at or above the Issue Price; allotment shall be made on a proportionate basis up to a minimum of 65 Equity Shares. For the method of proportionate basis of allotment refer below.

■ **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 Allotment to all the QIB Bidders will be made at the Issue Price.

□ The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

In the first instance allotment to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

- In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allotment to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

In the second instance Allotment to all QIBs Bidders shall be determined as follows:

- In the event of an oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
- Mutual Funds, who have received allotment 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.
- Under-subscription below 5% of the QIB Portion, if any, in the Mutual Fund Portion, would be included for allotment to the remaining QIB Bidders on a proportionate basis.

Method of Proportionate Basis of Allotment

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.

- Bidders will be categorized according to the number of Equity Shares applied for by them.
- 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.
- 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.
 - If the proportionate allotment to a Bidder is a number that is more than 65 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.
 - In all Bids where the proportionate allotment is less than 65 Equity Shares per Bidder, the allotment shall be made as follows:
 - Each successful Bidder shall be Allotted a minimum of 65 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 65 Equity Shares.
 - 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 or Instructions

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 10 working 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 10 working 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 10 working 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 (ICDR) Regulations 2009, the Company undertakes that:

- a) Allotment shall be made only in dematerialized form within 9 working days from the Bid/Issue Closing Date;
- b) **Dispatch of refund orders:** Refunds will be done within 10 working 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



c) 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 261 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.

For Instructions to SCSBs in ASBA Process please refer ASBA Process beginning on page no. 287

MODE OF MAKING REFUNDS

The payment of refund, if any, would be done through various modes in the following order of preference –

1. **NECS** – Payment of refund would be done through NECS for applicants having an account at any of the 68 centres notified by SEBI, where clearing houses for ECS are managed by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the nine-digit MICR code as appearing on a cheque leaf from the Depository. The payment of refund through NECS is mandatory for applicants having a bank account at any of the sixty eight (68) centres notified by SEBI, except where the applicant is otherwise disclosed as eligible to receive refunds through direct credit or RTGS.
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.
3. **RTGS** - Applicants having a bank account at any of the above-mentioned 68 centers and whose refund amount exceeds Rs. Ten Lacs, 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 centres where clearing houses for NECS 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:

- I. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- II. 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 twelve working days from the closure of the issue;
- III. The company shall apply in advance for the listing of equities on the conversion of debentures/bonds
- IV. 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. 261 of this RHP shall be made available to the Registrar to the Issue by our Company;
- V. that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 10 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;
- VI. That the refund orders or allotment advice to the Eligible NRIs or FIIs shall be dispatched within specified time;
- VII. 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
- VIII. 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.
- IX. At any given time there shall be only one denomination for the shares of the company
- X. The company shall comply with such disclosures and accounting norms as specified by SEBI from time to time

UTILISATION OF ISSUE PROCEEDS

Our Board of Directors 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 utilised out of Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised;
- Details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;



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 allotment. 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. 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 total issued capital of our Company in case such sub account is a foreign corporate or an individual.



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 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, Qualified Institutional Buyers etc 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 BRLMs.

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 allotment 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 Investors, High Networth Individuals, Corporate Investors Qualified Institutional Buyers etc. can submit their application through ASBA process to bid for the Equity Shares of our Company.

Maximum and Minimum Bid Size for ASBA Bidders

For Retail Individual Bidders: The Bid must be for a minimum of 65 Equity Shares and in multiples of 65 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does



not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of the option to Bid at the Cut-Off Price, the Bid would be considered for allotment under the Non- Institutional Portion. The option to Bid at the Cut-Off Price is an option given only to the Retail Individual Bidders, indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.

For Others (Non-Institutional Bidders and QIBs) Bidders: Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100,000 and in multiples of 65 Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations. QIBs cannot withdraw their 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. 100,000 for being considered for allotment in the Non- Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allotment in the Retail Portion would be considered for allotment under the Retail Portion. Non-Institutional Bidders are not allowed to Bid at the Cut-Off Price.

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 BRLMs 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 Designated Branch of the SCSB.
- 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.



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.
- After determination of the Issue Price, the number of Equity Shares bid for by the ASBA Bidder at or above the Issue Price or at Cut-off Price will be considered for allotment 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 (ICDR) Regulations, 2009 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

- a. 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
- b. it has received the ASBA in a physical or electronic form; and
- c. 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.
- d. 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 allotment.
- e. 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.
- f. 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:
 - g. Name of the Bidder(s);
 - h. Application Number;
 - i. Permanent Account Number;
 - j. Number of Equity Shares Bid for;
 - k. Depository Participant identification No.; and
 - l. Client identification No. of the Bidder's beneficiary account.
- m. 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).
- n. 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.
- o. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.



- p. 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 BRLMs 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.
- q. 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.
- r. 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/NSE 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.

Build up of the book and revision of Bids

- 1. Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.
- 2. The book gets built up at various price levels. This information will be available with the BRLMs and the Stock Exchanges on a regular basis.
- 3. The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue.
- 4. Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/ Allotment.

Price Discovery and Allotment

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 Investors who have 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. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the 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

1. Our Company will ensure that the Allotment of Equity Shares is done within 9 working 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.
2. As per the SEBI (ICDR) Regulations, 2009, 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. Ensure that you use the ASBA form specified for the purposes of ASBA process.
- b. Read all the instructions carefully and complete the ASBA form.
- c. Ensure that you have mentioned only one Bid option with respect to the number of equity shares in the ASBA form
- d. Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be allotted in dematerialised form only.
- e. Ensure that your Bid is submitted at a Designated Branch of 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 BRLMs.
- f. Ensure that the ASBA form is signed by the account holder in case the applicant is not the account holder
- g. Ensure that you have mentioned the correct bank account No. in the ASBA form.
- h. 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.



- i. 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.
- j. Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA form.
- k. Ensure that you have mentioned your Permanent Account Number (**PAN**) allotted under the I.T. Act.
- l. Ensure that the name(s) and PAN 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.
- m. Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

- (a) Do not Bid for lower than the minimum Bid size.
- (b) Do not Bid on another ASBA or Non-ASBA form after you have submitted
- (c) Submit the Bid to a Designated Branch of the SCSB.
- (d) Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSB's, shall not be accepted under the ASBA process.
- (e) Do not send your physical ASBA form by post; instead submit the same to Designated Branch of the SCSB only.
- (f) Do not mention the GIR number instead of the PAN Number.
- (g) Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

- a. Made only in the prescribed ASBA form, if submitted in physical mode, or electronic mode.
- b. In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- c. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA form.
- d. The Bids must be for a minimum of 65 Equity Shares and in multiples of 65 Equity Shares thereafter subject to a maximum Bid such that the Bid amount does not exceed the maximum investment limits prescribed under law.
- e. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.



ASBA 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/Allotment 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/Allotment 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 BRLMs, 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 BRLMs 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.

Multiple ASBA Bids

An ASBA Bidder should submit only one Bid for the total number of Equity Shares desired. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in "Issue Procedure - Multiple Bids" on page 277 of RHP.

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. 263 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 by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
4. PAN not stated, or GIR number furnished instead of PAN. See .Issue Procedure - PAN or GIR Number. on page no 278;
5. Bids for number of Equity Shares, which are not in multiples of 65;
6. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;
7. Multiple Bids as defined in this RHP;
8. In case of Bid under power of attorney, relevant documents are not submitted;
9. Signature of sole and/or joint Bidders missing in case of ASBA forms submitted in physical mode;
10. ASBA form does not have the stamp of the SCSB and/or a member of the Syndicate;
11. ASBA form does not have the Bidder's depository account details;
12. 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;
13. 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;



14. 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
15. 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 BRLMs, 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, 2009.

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.

Impersonation

For details, see section titled "Issue Procedure- Impersonation" on page 281 of this RHP.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Regulations, the Company undertakes that:

- a. Allotment and transfer shall be made only in dematerialised form within 9 working days from the Bid/Issue Closing Date;
- b. Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 10 working days from the Bid/Issue Closing Date; and
- c. If the instructions to SCSBs to unblock funds in the ASBA accounts are not given within 8 days after our Company becomes liable to repay all moneys received from the applicants in pursuance of this RHP, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.



Basis of Allotment

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allotment to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders. For details, see section “Issue Procedure- Basis of Allotment” on page 281 of this RHP.

Method of Proportionate basis of allotment in the Issue

ASBA Bidders who are Resident Individual Bidders (including HUFs) who have Bid for Offer shares for an amount less than or equal to Rs. 1,00,000/- in any of the Bidding options in the Offer, will be categorized as Retail Individual Bidders. ASBA Bidders that are not Retail Individual Bidders and who have bid for shares for an amount over Rs. 1,00,000/- will be categorized as Non-Institutional Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by our Company

In addition to our undertakings described under “Issue Procedure - Undertaking by our Company”, with respect to the ASBA Bidders, the Company undertakes that adequate arrangement shall be made to consider ASBA Bidders similar to other Bidders while finalizing the basis of allotment.

Utilisation of Issue Proceeds

Our Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see “Issue Procedure- Utilisation of Issue Proceeds” on page 285 of this RHP.

The above information is given for the benefit of the Bidders. The Company, the BRLMs 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 VII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

			CAPITAL
Authorised Capital	3.	A.	The authorised share capital of the Company shall be the Capital as specified in Clause V of the Memorandum of Association, with power to increase or reduce the share capital of the Company and to divide the shares in the capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any of such rights, privileges or conditions in such manner as may for the time being be provided in the Articles of Association.
		B.	Subject to the right of the holders of any shares entitled by the terms of issue of preferential repayment over the equity shares in the event of winding up of the Company, holders of the equity shares shall be entitled to be repaid the amount of Capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of Equity Shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.
		C.	The preference shares shall confer on the holder thereof the right to a cumulative preferential dividend for each year at a rate as may be fixed by the Board of Directors at the time of issue thereof or revising rate of interest on the existing preference shares in conformity with the rate prescribed by law from time to time subject to deduction of tax at sources at the prescribed rates, on the capital paid up or credited as paid up thereon, and in the event of winding up the right to redemption of capital and arrears of dividend accrued up to the date of the commencement of the winding up whether declared or undeclared shall rank in priority to equity shares in the capital of the Company for the time being, but the said preference shares shall not entitle the holder thereof to any further or other participation in the profits or assets of the Company.
Non Voting Shares	4.		Subject to the applicable provision of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modifications or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be necessary, the Company may issue shares with non-voting rights upon such terms and conditions and with such rights and privileges (including with regard to dividend) as may be permitted by law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles of Association, to the extent they are concerning or relating to voting rights of shares shall not be applicable to the aforesaid non-voting shares, if any, issued by the Company.
Increase in Capital	5.		The Company in General Meeting may from time to time by Ordinary Resolution increase the capital by the creation of new shares, the increases to be of such aggregate amount and to be divided into Shares of such respective amounts as the Resolution shall prescribe, subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or a qualified right to dividends, and in the distribution of the assets of the Company in conformity with Section 87 and 88 of the Act. Whenever the



			capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.
New Capital same as existing capital	6.		Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Redeemable preference Shares	7.		Subject to the provisions of Sections 80 and 80A of the Act, the Company shall have the power to issue Preference Shares, which are at the option of the Company liable to the redeemed, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8.		The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
Provision to apply on issue of redeemable preference shares	9.		On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof the following provisions shall take effect:
		a)	no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
		b)	no such shares shall be redeemed unless they are fully paid;
		c)	the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
		d)	Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account was paid-up share capital of the Company.
Reduction of Capital	10.		The Company may from time to time by Special Resolution, subject to the provisions of Section 78, 80, 100 to 104 inclusive of the Act, reduce its Share Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular without prejudice to the generality of the foregoing power may:
		a)	extinguish or reduce the liability on any of its shares in respect of share capital not paid up;
		b)	either with or without extinguishing or reducing liability on any of its shares, cancel any paid up share capital which is lost or is unrepresented by available assets; or
		c)	either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company;
			and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.



Sub-division, consolidation and cancellation of shares	11.	A.	The Company in general meeting may subject to the provisions of Section 94 of the Act by Ordinary Resolution alter the conditions of its Memorandum as follows, that is to say, it may:
		a)	Consolidate and divide any of its Share Capital into Shares of larger amounts than its existing shares;
		b)	Sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid-up and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that as between the holders of the shares resulting from such sub -division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage or otherwise over the others or any other such share.
		c)	Convert all or any of its fully paid-up shares in to stock and reconvert that stock into fully paid-up shares of any denomination.
		d)	Cancel shares which, on the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled;
		B.	The cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital.
Board may accept surrender of shares	13.		Subject to the provisions of Section 100 to 105 (inclusive) of the Act, the board may accept from any member on such terms and conditions as shall be agreed a surrender of all or any of his shares.
			SHARES AND CERTIFICATES
Register and Index of Members	14.		The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in material and dematerialized forms in any medias may be permitted by law including in any form of electronic media. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members resident in the State or country.
Issue of further shares not to affect rights of existing shareholders	15.	a)	The rights or privileges conferred upon the holders of the shares of any class issued with preferred or other rights, shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or modified affected by the creation or issue of further shares ranking pari passu therewith.
		b)	The Board shall observe the restriction as to allotment of shares to the public contained in Sections 69 and 70 of the Act and shall cause to be made the return as to allotment provided for in Section 75 of the Act.
Shares to be numbered progressively and no share to be sub-divided	16.		The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned no shares shall be sub-divided, provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are in dematerialized form. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.



	17.	A.	Further issue of shares
		1.	Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the un-issued capital or out of the increased share capital then:
		a)	Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as the circumstances admit, to the capital paid up on those shares at the date.
		b)	Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days from the date of offer and the offer if not accepted, will be deemed to have been declined.
		c)	The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. Provided that the Director may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
		d)	After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, most beneficial to the Company.
		2.	Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (Whether or not those persons include the persons referred to in clause (a) sub-clause (1) thereof in any manner whatsoever.
		a.	If a special resolution to that effect is passed by the company in General Meeting, or
		b.	Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting of vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.
		3.	Nothing in sub-clause (c) of (1) hereof shall be deemed;
		a.	To extend the time within which the offer should be accepted; or
		b.	To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
		4.	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the company
		i.	To convert such debentures or loans into shares in the company; or



		ii.	To subscribe for shares in the company (whether such option is conferred in these Articles or otherwise). PROVIDED THAT the terms of Issue of such debentures or the terms of such loans include a term providing for such option and such term:
		a.	Either has been approved by the Central Government before the Issue of the debentures or the raising of the loans or is in conformity with Rules, if any made by that Government in this behalf; and
		b.	In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the Issue of the debentures or raising of the loans.
		B.	Shares at the disposal of the directors:
			Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may Issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so, issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.
		C	Limitation of time for Issue of certificates
			Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within Two months from the date of allotment, unless the conditions of Issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to Issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.
		D.	Issue of New Certificate in Place of One Defaced, Lost or Destroyed:
			If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof



			thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for Issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.
		E	Directors May Refuse To Register Transfer: Subject to the provisions of Section 111A of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company or any account whatsoever except when the company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused.
		F	Instrument Of Transfer: The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
		G	No Fee on Transfer or Transmission: No fee shall be charged for registration of transfer, transmission, probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
		H	Payment In Anticipation Of Call May Carry Interest: The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that



			money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
		I	Company's Lien On Shares / Debentures:
			The Company shall have a first and paramount lien upon all the shares / debentures (other than fully paid-up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares / debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares / debentures. Unless otherwise agreed, the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any, on such shares / debentures. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this clause.
		J.	Term Of Issue Of Debenture:
			Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
		K.	Unpaid Or Unclaimed Dividend:
			Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days open a special account in that behalf in any scheduled bank called "Unpaid Dividend of BEDMUTHA INDUSTRIES LIMITED" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of Seven years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the Investor's Education & Protection Fund Account may



			be referred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board, before the claim becomes barred by law.
Shares under Control of Directors	18.		Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting to give any person, the option to call for any shares either at par or at a premium during such time and for such consideration the Directors think fit, and may allot and issue shares in the capital of the Company in payment or part for any property sold and transferred or for any services rendered to the Company in the conduct of its Business; and any shares which may be so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares.
		a)	The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by the Articles of the Company.
		b)	Each share in the Company shall be distinguished by its appropriate number.
		c)	A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, prima facie, evidence of the title of the member of such shares.
Sale of Fractional Shares	19.		If and whenever, as a result of issue of new or further shares or any consolidation or sub-division of shares, any shares held by members in fractions, the Directors shall, subject to the provisions of the Act, and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in the proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
Power also to Company in General Meeting to issue shares	20.		In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 17, 18 and 19 the Company in general meeting may, subject to the provisions of Section 81 of the Act determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether a Member or not), in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, as the general meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by



			such General Meeting or Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.
Issue of Shares for consideration other than Cash	21.		Subject to these Articles and the provisions of the Act, the Board may issue and allot share in the Capital of the Company as payment, or in consideration, or as part payment, or in part consideration of the purchase or acquisition of any property or for services, rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid-up or partly paid-up shares.
Acceptance of shares	22.		Any application signed by or on behalf of a applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purposes of these Articles, be a Member.
Deposit & Call etc. to be a debt payable immediately	23.		The money (if any) which the Board shall, on the allotment of any share being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, becomes a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of members	24.		Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may for the time being, remain unpaid thereon, in such amounts at such time or times in such manner as the Board shall from time to time in accordance with the Company's regulations, require or fix for the payment thereof.
Share Certificate	25.	a)	Every Member of allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the board and on surrender to the company of the letter of allotment or the fractional coupons of requisite value, save in case of issue against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary, or some other person appointed by the Board for the purpose and the two Directors or their attorney and the Secretary or other person shall sign the share certificate provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. For any further certificate the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupee One, Provided that the Company shall not be bound to register more than four persons as joint holders of any share except in the face of executors or trustees or a deceased member and in respect of a share held jointly by several persons the Company shall not be bound to issue more than one certificate. The Company shall comply with provisions of Section 113 of the Act. Provided however, that no share certificate (s) shall be issued in respect of the shares held in Depository.



		b)	The issue of Certificates of Shares or of duplicate or renewal of Certificates of Shares shall be governed by the provisions of Section 84 and other applicable provisions of the Act and by the rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act, the Directors shall also comply with the provisions of such rules or regulations of any stock exchange where the shares of the company may be listed for the time being and also the requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.
		c)	Every Certificate of Shares shall specify the date of issue, the numbers and distinctive numbers of the shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors shall prescribe or approve.
		d)	Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.
		e)	The Company shall complete and have ready for delivery, the share certificates within the time provided by Section 113 of the Act, unless the conditions of issue thereof otherwise provide.
		f)	If any Certificate be worn out, torn, defaced or otherwise mutilated or rendered useless, or if there be no further space on the back thereof for endorsement of transfers, then, upon production thereof to the Directors, they may order the same to be cancelled, and may issue a new Certificate in lieu thereof, without charging any fee in respect thereof. If any Certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the partly entitled to such lost or destroyed Certificate on payment of such fee as may be decided by the Board of Directors from time to time on that behalf. Out of pocket expenses incurred by the Company in investigation the evidence as to the loss or destruction shall be paid to the Company if demanded.
		g)	Where any shares under the power in that behalf in those Articles herein contained are sold by the Directors and the Certificate thereof has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered. Provided that notwithstanding what is stated above in (bb) and (bc) the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.
		h)	The Company shall not be bound to register more than four persons as the joint holder of any shares, except in the case of executors or trustees of a deceased member in respect of a share held jointly by several persons, the Company shall not be bound to issue more than one Certificate and the delivery of a Certificate for a share to any one of several joint holders shall be sufficient delivery to all such holders.
		i)	The Company may issue such fractional coupons as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional coupons are to be converted into Share Certificates.
		j)	A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of rubber stamp, provided that the Director shall be responsible for the safe custody of such



			machine, equipment or other material used for the purpose.
Fractional Certificates	26.		The Company may issue such fractional certificates as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional certificates are to be converted into share certificates.
Renewal of share certificates	27.	a)	No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where pages on the reverse for recording transfer have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.
		b)	When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No.----- sub-divided / replaced / on consolidation of shares.
		c)	If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.
		d)	When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is a Duplicate issued in lieu of share certificate No. ---- ----- The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
		e)	Where a new certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
		f)	All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
		g)	The Managing Directors of the Company for the time being, or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of the machine, equipment and/or other material referred to in Article 25 (h) and of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f).
		h)	All books referred to in clause (g) of this Article shall be preserved in good order permanently.
		i)	Notwithstanding anything contained in Article 25, the Board may in its absolute discretion refuse application for sub-division or consolidation of Share Certificates or Debenture Certificates into denominations of less than the marketable lot except when such sub-division or consolidation is required to be made to comply with as statutory provision or an order of a



			competent Court of law.
Provisions also applicable to Debentures	28.	A.	The provisions of the Articles under this chapter to the extent applicable, shall mutates mutandis apply to Debentures of the Company.
Dematerialisation and Rematerialisation of Securities		B.	The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and/or to issue its fresh shares, debentures and other securities, in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.
Declaration by person not holding beneficial interest in any shares	31.	a)	Notwithstanding anything herein contained a person whose name is at any time entered in the register of members of the Company as a holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, if so required by the Act, within such time and in such forms as may be prescribed make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 187 C of the Act.
		b)	A person who holds a beneficial interest in a share a class of shares of the Company shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187 C of the Act.
		c)	Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187 C of the Act.
		d)	Notwithstanding anything contained in Section 153 of the Act and Article 30 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
	34.		DEMATERIALISATION OF SECURITIES
Definitions		a)	For the purpose of this Article :- 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository ; 'SEBI' means the Securities & Exchange Board of India ; 'Depository' means a company formed and registered under the Companies Act, 1956 , and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992 ; and 'Security' means such security as may be specified by SEBI from time to time.
Dematerialisation of Securities		b)	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a Company in a dematerialised form pursuant to the Depositories Act, 1996.
Option for		c)	Every person subscribing to securities offered by the Company shall have



Investors			the option to receive security certificate or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.
Securities to be in Fungible Form		d)	All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
Rights of the Depositories and the Beneficial Owners		e)	(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner. (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
Service of Documents		f)	Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.
Transfer of Securities		g)	Nothing contained in section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
Allotment of Securities dealt with a Depository		h)	Notwithstanding anything in the Act or these Articles, where securities dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
Distinctive No. of Securities held with a Depository		i)	Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
Register and Index of Beneficial Owners		j)	The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles."
Issue of Shares without Voting Rights	35.		In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of	36.		Notwithstanding anything contained in these articles, in the event it is



Shares and Securities			permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, Provisions of Section 77 and SEBI (Buy Back of Shares) Regulations, as may be permitted by law.
Employees Stock Options Scheme/Plan	37.		The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	38.		Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	39.		The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Companies Act, 1956("the Act") and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.
UNDERWRITING AND BROKERAGE			
Underwriting Commission and Brokerage	40.	A.	The company may pay a commission to any person in consideration of:
		i)	His subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in Sub-Section(4A) of Section 76 of the Act, or
		ii)	His procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in, or debentures of the Company, if the following conditions are fulfilled, viz:
		(a)	The commission paid or agreed to be paid does not exceed in the case of shares, five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price at which the debentures are issued;
		(b)	The amount or rate percent of the commission paid or agreed to be paid, on shares or debentures offered to the public for subscriptions, shall be disclosed in the prospectus, and in the case of shares and debentures not offered to the public for subscription, disclosed in the statement in lieu of prospectus and filed, before the payment of the commission, with the Registrar, and where a circular or notice, not being a prospectus inviting subscription for the shares or debentures is issued, and disclosed in that circular or notice;



		(c)	The number of shares or debentures which persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid, and
		(d)	A copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the statement in lieu of the prospectus for registration.
		B.	Save as aforesaid and save as provided in Section 79 of the Act, the Company shall not allot any of its Shares or Debentures or apply any of its moneys, either directly or indirectly in payment of any commission, discount or allowance, to any person in consideration of:
		(i)	his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company; or
		(ii)	his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for the shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid out of the nominal purchase money or contract price, or otherwise.
		C.	Nothing in this Article shall affect the power of the Company to pay such brokerage as it has heretofore been lawful for the Company to pay.
		D.	A vendor to promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission the payment of which, if made directly by the Company would have been legal under Section 76 of the Act.
		E.	The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash, or in share, debentures or debenture-stocks of the Company.
	41.		The company may also on issue of Shares, pay reasonable brokerage as it may lawful.
			INTEREST OUT OF CAPITAL
Interest may be paid out of capital	42.		Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provisions of plant.
			LIEN
Company to have lien on shares	55.		The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (Whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 30 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Provided that the Board Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.



Outsider's claim not to affect company's lien	56.		The company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as order by a Court of Competent Jurisdiction or by statute required) be bound to recognize equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The company's lien shall prevail notwithstanding that it has received notice of any such claims.
As to enforcing lien by sale.	57.		For the purpose of enforcing such lien the Board may sell the shares subject hereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such Member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
Transfer of share sold under lien	58.	(a)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchase thereof.
		(b)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.
		(c)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.
Application of proceeds of sales	59.		The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like for sums not presently payable as existed upon the shares before the sale) be paid to person entitled to the shares at the date of the sale.
TRANSFER AND TRANSMISSION OF SHARES			
Register of Transfer	74.		The Company shall keep a book to be called "Register of Transfer", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.
Transfer by Joint Holders	75.		In the case of transfer of shares/debentures held by joint holders, the transfer will be effective only if it is made by all the joint holders.
Transfer form to be completed and Presented to the Company	76.		The Instrument of Transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of the transfer, the certificate or certificates of the shares must be delivered to the Company.



Transfer Books and Register of Members when closed	77.		The Board shall have power on giving not less than 'seven days' previous notice by advertisement in some newspaper circulation in the district in which the Office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in a year.
Transfer of shares	78.	i)	An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the company gives notice of the application to the transferee and subject to the provisions of Clause (d) of this Article, the company shall unless objection is made by the of Members the name of the transferee in the same manner and subject to same conditions as if the application for registration was made by the transferee.
		ii)	For the purpose of Clause (i) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.
		iii)	It shall be not be lawful for the company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee has been delivered to the company along with the Certificate relating to the Shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the company may, if the Directors think fit, on an application in writing made by the transferee and bearing he stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.
		iv)	Nothing in Clause 80 (iii) above shall prejudice any power of the company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
		v)	Nothing in this Article shall prejudice any power of the company to refuse to register the transfer of any share.
Custody of instrument of transfer	79.		The instrument of transfer shall after registration be retained by the company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the company after such period as they may determine.
Notice of application when to be given	80.		Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provision of Section 110 of the Act.
Death of one or more Joint holders of	81.		Subject to Article 30 hereof in the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any shares, the survivor or survivors shall be the only persons recognised by the



shares			Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liabilities on shares held by him jointly with any other person.
Title to Shares of Deceased Member	82.		The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 83 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.
Nomination	83.		A holder or joint holders of shares in or debentures of the company may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 (including any amendment thereto or any re-enactment thereof) and in the manner prescribed there under, any person to whom all the rights in the shares in or debentures of the Company shall vest in the event of death of such holder (s). Any nomination so made shall be dealt with by the company in accordance Act,1956 or any statutory modification or re-enactment thereof for the time being in force.
No Transfer to Minor etc.	84.		Only fully paid-up shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian under no circumstances shares or debentures be transferred to any insolvent or a person of unsound mind.
Registration of Persons entitled to shares otherwise than by transfer, "The Transmission Article".	85.	a)	Subject to the provisions of the Act and Articles 79 to 85 and 88 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which is shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the share. This Article is hereafter called "The Transmission Article".
		b)	A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he has been a member at the time of the execution of the instrument of transfer.
Refusal to register on transmission	86.		The Board shall have the same right to refusal register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled	87.		A person entitled to a share by transmission shall, subject to the right of the



may receive dividend without being registered as member			Directors, retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the shares.
Claimant to be entitled to same advantage	88.		The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer the shares and if the notice is not complied within sixty days, the Board may thereafter withhold payment of all dividends, interests, bonus or other moneys payable in respect of the shares until the requirements of the notice have been complied with.
Fee on transfer or transmission	89.		The company may charge such fees (as may be decided by the Directors from time to time and for any period of time) in respect of transfer or transmission of the shares, subject to the stipulations, rules, regulations of stock exchange or the statute concerned in this regard.
Company not liable for disregard of a notice, prohibiting registration of a transfer	90.		The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, thought it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
Directors may require evidence of transmission	91.		Every transmission of a share shall be verified in such manner as the Directors may require, and the company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the company with regard to such registration which the Directors at their discretion
Transfer of shares in Dematerialised form	92.		In the case of transfer or transmission of shares or other marketable securities where the company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
Transfer or transmission of debentures and/or detachable warrants	93.		The provisions of these Articles shall mutates mutandis apply to the transfer or transmission by operation of law of debentures and / or detachable warrants of the Company.
BORROWING POWER			
Powers to borrow	95.		Subject to the provisions of Section 58A, 292 and 293 of the Act and of the Companies (Acceptance of Deposits) Rules, 1975 and of these Articles or



			any statutory modification thereof for the time being in force the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the company. Provided the payment of any sum or sums of money for the purpose of the Company. Provided however where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans to be obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its, free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No Debt incurred by the Company in excess of the limit imposed by these Articles shall be valid or effectual unless the lender proves that he advances the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
Payment or repayment of moneys borrowed	96.		Subject to the provisions of Article 98 hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit., and in particular by a resolution passed at a Meeting of the Board by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debentures-stock and other securities may be made assignable free from any equities between the Company and person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	97.		Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Terms of issue of Debentures	98.		Subject to the provisions of any law, any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meeting, appointment of Directors and otherwise. Where the terms of issue of Debentures or loans includes as option to the holder to convert such debentures or loans into shares of the Company or to subscribe for shares in the Company shall comply with the provisions to Section 81 (3) of the Act.
Section 117 to 123 to apply	99.		Any debenture or debenture-stock issued by the Company shall be subject to the provisions of Sections 117 to 123 (both inclusive) and other applicable provisions of the Act or of any statutory modification hereof for the time being.
Register of mortgage etc. to be kept	100.		The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charged specifically affecting the property of the Company and shall cause the requirements of Section 118, 125 and 127 to 144 of the Act in that behalf to be duly complied with, (within the time prescribed by the said section or such extension thereof as may be permitted by the Company Law Board or the Court or the Registrar of Companies as the case may be) so far as they feel to be complied with by the Board.
Mortgage of un	101.		If any uncalled up capital of the Company is included in or charged by any



called up capital			mortgage or other security, the Directors shall, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled up capital in trust for the person in whose favor such mortgage or security is executed or if permitted by the Act, may by instrument under the seal authorize the person in whose favor such mortgage or security is executed or any other person in trust for him to make calls on the Members in respect of such uncalled up capital and the provisions hereinbefore contained in regard to calls shall mutants mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either to the exclusion or the Director's power or otherwise and shall be assignable if expressed so to be.
Indemnity may be given	102.		The Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon, and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the company or upon any of its property or assets or otherwise. If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from the company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
Register and Index of Debentures holders	103.		The Company shall, if at any time, issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 and 157 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture-holders resident in that State or Country.
MEETING OF MEMBERS			
The Statutory Meeting	112.		The Statutory Meeting of the Company, shall as required by Section 165 of the Act, be held at such time not being less than one month and not more than six months from the date at which the Company shall be entitled to commence business and at such place as the Board may determine, and the Board shall comply with the requirements of that Section, as to the report to be submitted and otherwise.
Annual General Meeting	113.		The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting and the Statutory Meeting shall be called Extraordinary General Meetings. The First Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more that fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company. The Company may in any one



			Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting, which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be kept on the table the Director's Report and Audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts) the Proxy Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 159, 161 and 220 of the Act.
Section 171 to 186 of the Act shall apply to Meeting	114.	a)	Section 171 to 175 and Sections 177 to 186 of the Act with such adaptations and modifications, if any, as may be prescribed shall apply with respect to meetings of any class of members or of debenture holders or any class of debenture holders of the company in like manner as they apply with respect to General Meeting of the company.
		b)	Section 176 of the Act with such adaptations and modifications if any, as may be prescribed shall apply with respect to meetings of any class of members or of debenture holders of the company in like manner as it applies with respect to General Meeting.
Contents of Notice	117.		Every notice of a meeting of the company shall specify the place, day and hour of the meeting and shall contain a statement of the business to be transacted there at.
Resolutions requiring Special Notice	118.		Where by any provision contained in this Act or in these Articles, special notice is required of any resolution, notice in respect of the same shall be given as provided in Section 190 of the Act.
Business at Adjourned Meetings	119.		No business shall be transacted at any adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting.
Notice to be given where a Meeting is adjourned for 30 days or more	120.		When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting.
Extraordinary General Meeting	121.	A.	The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as that date carries the right of voting in regard to the matter in respect of which the requisition has been made.
		B.	If at any time they are not present in India, Directors capable of acting who are sufficient in number to form a quorum, any Director of the Company may call an Extraordinary General Meeting of the Company, in the same manner, nearly as possible, as that in which such a meeting can be called by the Board.
Demand for poll not to prevent, continuance of	145.		The demand for a poll, except on the question of the election of the Chairman and of an adjournment, shall not prevent the continuance of meeting for the transaction of any business other than the question on which the poll has been demanded.



business			
			VOTES OF MEMBERS
Restrictions on Voting	146.		No Member shall be entitled in respect of any shares registered in his name to be present or to exercise any voting right on any question at any General Meeting or be reckoned in a quorum whilst any call or other sum presently payable to the Company in respect of such shares, shall remain unpaid or in regard to which the Company has exercised any right of lien; and no member shall be entitled to be present or to vote in respect of any shares that he has acquired by transfer at any meeting unless his name has been entered as the registered holder of such share in respect of which he claims to vote.
Equal Rights of Shareholders	147.		Any shareholder whose name is entered in the Register of Members of the company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.
Number of votes to which a member is entitled	148.		Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every Member present in person or by proxy shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however if any preference Shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
Casting of votes by a Member entitled to more than one vote	149.		On a poll taken at a meeting of the Company a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
How Members non-composement may vote	150.		A member of unsound mind or in respect of whom an Order has been made by any Court, having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on poll vote by proxy. If any Member be a minor the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
Votes of joint members	151.		If there be joint registered holders of any shares, any one of such persons may vote at any meeting either personally or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting that one of the said person so present whose name stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose names shares stand for the purpose of these Articles be deemed as joint holders thereof.
Voting in person or by proxy	152.		Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holders all holders) shall not appoint more than one person as



			proxy.
Votes in respect of shares of deceased and insolvent Member	153.		Any person entitled under the Transmission Article (Article 87) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of the holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Director of his right to transfer of such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. For the purpose of the Article, the Directors shall have same powers either to recognise or to refuse to recognise such right to transfer, as they have to reject or accept, a transfer or transmission of shares under these Articles.
Appointment of proxy	154.		Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, duly authorized in writing, or if such appointer is a body corporate under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.
Proxy either for specified meeting or for a period	155.		An instrument of may appoint a proxy either for purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meetings.
No Proxy except for a body corporate to vote on a show of hands	156.		No Member present only by proxy shall be entitled to vote on a show of hands, unless such Member is a body corporate present by a proxy who is not himself a Member, in which case such proxy shall have a vote on the show of hands as if he were a member.
Proxy to vote only on a poll	157.		A Member present by proxy shall be entitled to vote only on a poll.
Deposit of Instrument of appointment of proxy	158.		The Instrument appointing a proxy and the power of attorney or other authority (if any) under which it signed or a notarially certified copy of that power or authority, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of twelve months from the date of its execution.
Form of proxy	159.		Every instrument appointing a proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in Schedule IX of the Act, and shall be retained by the Company.
Validity of votes given by proxy notwithstanding death of member	160.		A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
Time for objections of votes and inspection of proxies	161.	a)	No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote not disallowed at such meeting or poll shall be deemed valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
		b)	Every Member entitled to vote at a meeting of the Company or on any



			resolution to be moved thereat shall be entitled, during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days notice in writing of the intention so to inspect is given to the Company.
Chairman of the meeting to be the judge of validity of any vote	162.		The Chairman present at the taking of poll shall be the sole judge of the validity of every vote tendered at such poll.
Chairman's Declaration of results of voting to show of hand to be conclusive	163.		A declaration by the Chairman in pursuance of Section 177 of the Act that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favor of or against such resolution.
			MINUTES OF MEETINGS
Minutes of General Meeting and inspection thereof by members	164.	a)	The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act.
		b)	Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
		c)	In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
		d)	The Minutes of each Meeting shall contain a fair and correct summary of the proceeding thereat.
		e)	All appointments of Officers made at any aforesaid meeting shall be included in the Minutes of the Meeting.
		f)	Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (a) is or could reasonably be regarded as, defamatory of a person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
		g)	Any such Minutes shall be evidence of the proceedings recorded therein.
		h)	The book containing the Minutes of the proceedings of any General Meeting of the Company shall:
		i)	be kept at the Registered Office of the Company, and
		ii)	be open, during the business hours to the inspection of any members without charge, subject, to such reasonable restrictions as the Company may, in General Meeting impose so however that not less than two hours in each day are allowed for inspection.
		iii)	Any Member shall be entitled to be furnished within seven days after he has made a request in that behalf to the company, with a copy of any minutes referred to in Clause (h) above, on payment of such fees as prescribed



			under Section 196 of the Act.
			DIRECTORS
Number of Directors	166.		Until otherwise determined in a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors of the Company (excluding Alternate Directors) shall not be less than three or more than twelve.
			RETIREMENT OF DIRECTORS BY ROTATION
Rotation of Directors	168.		Subject to the Article No.169 to 174, not less than two-thirds of the total number of Directors shall (i) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (ii) save as otherwise expressly provided in the Article, be appointed by the Company in General Meeting.
		a)	be persons whose period of office is liable to determination by retirement of Directors by rotation and
		b)	save as otherwise expressly provided in the Act; be appointed by the Company in General Meeting.
Appointment of Alternate Director	175.		The Board may, in accordance with and subject to the provision of Section 313 of the Act, appoint an Alternate Director during the letter's absence for a period of not less than three months from the state in which the meeting of the Board is ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original director returns to that State. If the term of office of the original Director is determined before so returns to that State, any provisions in the Act or in these Articles for the automatic reappointment of a retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Additional Director	176.		Subject to the provisions of Section 260, 261 and 264 of the Act and further subject to Articles 174, the Board shall have power at any time and from time to time to appoint any person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 169. Any such Additional Director shall hold office only up to the date of next Annual General Meeting.
Appointment of Technical or Executive Directors	177.	A.	The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.
		B.	Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Share Qualification of Directors	178.		A Director shall not require acquiring or having any share qualification.
Remuneration of Directors	179.	a)	The remuneration to each director shall be at such rate for each meeting of the Board or Committee of the Board attended by him as may as may be



			prescribed by the Central Government from time to time under the Proviso to Section 310 of the Companies Act, 1956, for each such meeting including adjourned meeting attended by him. If any Director being willing shall be called upon to perform extra services or to make any special exertions for any of the purpose of Company or is giving special attention to the business of the Company as a member of the Committee of Directors then subject to Section 198, 309 and 310 of the Act, the Company may remunerate the Directors so performing the extra services or making special exertions or giving special attention or being a member of a committee of Directors, either by a fixed sum or by commission of like emoluments or by a percentage of profits or otherwise and such remuneration may be either in addition to or substitution for any other remuneration to which he may be entitled.
		b)	Subject to the provision of the Act, a Director who is neither in the whole-time employment of the Company nor a Managing Director, may be paid remuneration either:-
			(i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or
			(ii) by way of commission if the company by a Special Resolution authorities such payment.
		c)	Subject to the provisions of the Act, a Managing Director or director in the Whole Time employment of the Company may be paid remuneration either by way of monthly or at a specified percentage of the net profit of the Company or partly by one way or partly by the other. The Board of Directors reserves the rights to execute and sign the specific agreement / arrangements with the Managing Director or the Managing Directors as the case may be as well as with the Whole Time Director or Whole Time Directors specifying the details or remunerations and other terms etc. as per the act and these Articles of Association and such agreement will be signed by two Directors to be authorized by the Board for such purpose for time to time.
Special Remuneration of Directors performing extra services	180.		If any director be called upon to perform extra services or make special exertions or efforts (which expression shall include work done by a director as a member of any committee of the Board), the Board may arrange with such Director for special remuneration for such service or exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.
Travelling expenses incurred by director not a bona fide resident	181.		The Board may allow an pay to any director (including the foreigner Director), who is not a bona fide of the place where the meeting of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting; such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director by called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.
Directors may act notwithstanding any vacancy	182.		The continuing Director may act notwithstanding any vacancy in their body if and so long as their number is reduced below the minimum, the continuing Director not being less than two may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.
			MANAGING DIRECTOR



The Board to appoint Managing Director/s	206.		Subject to the provisions of the Act and these Articles, the Board shall have the power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole time Director/s and/or Special Directors like Technical Director, Financial Director etc. of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Whole time Director(s) and Special Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act. Provided that, subject to the provisions of Section 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration shall be subject to the approval of members in General Meeting and of the Central Government, if required.
Restriction of Management	207.		Managing Director or Managing Directors shall not in any event exercise the powers to:
		a)	make calls on shareholders in respect of money unpaid on the shares in the Company;
		b)	issue debentures and except to the extent mentioned in a resolution passed at the Board Meeting under Section 292 of the Act, shall also not exercise the powers to;
		c)	borrow money, otherwise than on debentures;
		d)	use the funds of the Company; and
		e)	make loans.
Certain Persons not to be appointed Managing Director	208.		The company shall not appoint or employ, or continue the appointment or employment, of a person as its Managing or Whole-time Director who :- a) is an undischarged insolvent or has at any time been adjudged an insolvent; b) suspends, or has at any time suspended, payment to his creditors, or makes or has at any time made a composition with them; or c) is, or has at any time been, convicted by a court of an offence involving moral turpitude.
Special position of Managing Director	209.		A Managing Director shall not while he continues to hold that office be subject to retirement by rotation, in accordance with Article. If he ceases to hold the office of director he shall ipso facto immediately cease to be a Managing Director. WHOLE TIME DIRECTOR
Power to appoint Whole Time Director and/or Whole-time Directors	210.		Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/ persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine or permanently for life time upon such terms and conditions as the Board thinks fit. The Board may by ordinary resolution and / or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers authorities and



		functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period of periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and / or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors / persons nominated under Article 174 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what provisions Whole time Directors shall subject	211.	Subject to the provisions of Section 255 of the Act and these Articles, a Whole Time Director or Whole Time Director shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors, and he/they shall ipso facto and immediately ceases or otherwise under the sees to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act any Annual General Meeting and shall be re-appointed as a Director of Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	212.	If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company
		PROCEEDINGS OF THE BOARD OF DIRECTORS
Meeting of Directors	213.	The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn or otherwise regulate their meeting as they think fit.
Notice of Meetings	214.	At least five days prior notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address inn India, to every other Director. Notice may be given by telegram, cable, telex or other means of communications to any Director who is not in India and a Notice sent by registered airmail shall confirm the same.
Quorum	215.	Subject to the Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Director, if any, whose places may be vacant at the time) any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or equal to two-third of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two, shall be the quorum during such time.
Adjournment of meeting for want of quorum	216.	If a meeting of the Board could not be held for want of a quorum, than the meeting, subjects to Section 288 of the Act, shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place or such day, time and place as may be fixed by the Chairman and the Directors present at the meeting.
When meeting	217.	The secretary shall, as and when directed by the Chairman to do so,



to be convened			convene a meeting of the Board by giving a notice in writing to every Director.
Chairman	218.		The Board may from time to time elect from among their number, a Chairman of the Board and determine the period for which he is to hold office. The Directors may likewise appoint from among their number a Vice-Chairman and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman and the Vice-Chairman are not present within fifteen minutes after the time appointed for holding the same or is unwilling to act as Chairman, the Directors may choose one of their number to be Chairman of the Meeting.
Questions at Board Meeting how decided	219.		Subject to the provisions of the Act and of these Articles, question arising at any meeting of the Board of Directors shall be decided by a majority or votes and in the case of equality of votes, the Chairman shall have a second or a casting vote.
Powers of Board Meeting	220.		A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
Directors may appoint Committee	221.		Subject to the restrictions contained in Section 292 and other applicable provisions of the Act, the Board may delegate any of their powers to a committee of Directors consisting of such Director or Directors or one or more Director and a Member or Members of the Company as it thinks fit or to the Managing Director, Manager or any other Principal Officer of the Company or a Branch Officer or to one or more of them together and it may from time to time revoke and discharge any such committee of the Board either wholly or in part, and either as to purpose or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in Conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
Meeting of Committee, how to be governed	222.		The meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far, as the same are applicable thereto and are not superceded by any regulations made by the Directors under the last preceding Article.
Resolution by circulation	223.		No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or Members of the Committee, at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, by a majority of such of them, as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding informal appointment	224.		All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such persons had been duly



			appointed and was qualified to be Director and had not vacated his office or his appointment had not been terminated, provided that nothing in his Article shall be deemed to revive validity to acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.
Minutes of proceedings of meetings of the Board	225.	a)	The Company shall cause Minutes of all proceedings of every meeting of the Board and committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
		b)	Each page of every such book shall be initialled or signed and the last page of they record or proceedings of every meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
		c)	In no case the minutes of proceedings of a meeting be attached in any such book as aforesaid by pasting or otherwise.
		d)	The minutes of each meeting shall contain a fair and correct summary of the proceeding thereat.
		e)	All appointments of officers made at any of the meeting aforesaid shall be included in the Minutes of the meeting.
		f)	The minutes shall also contain :-
		i)	the names of the Directors present at the meeting, and
		ii)	in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.
		g)	Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such Minutes of any matter which, in the opinion of the Chairman of the meeting :-
		i)	(a) is, or could reasonably be regarded as defamatory of any person; or
		ii)	(b) is irrelevant or immaterial to the proceedings; or
		iii)	(c) is detrimental to the interests of the Company;
			The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub- clause and the decision of the Chairman shall be final and binding.
		h)	Minutes of any meeting of the Board of Directors or of any committee of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be, for all purposes whatsoever, prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction of occurrence of the proceedings so recorded and the regularity or the meeting at which the same shall appear to have been taken place.
			POWERS OF DIRECTORS
Power of Directors	227.		The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, but subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
			Provided that the Board shall not, except with the consent of the Company in General Meeting :-
		a)	sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than



			one undertaking, or the whole, or substantially the whole, of any such undertaking; provided that nothing herein contained shall affect the selling or leasing of any property of the Company when the ordinary business of the Company consists of, or comprises, such selling or leasing;
		b)	remit, or give time for the repayment of any debt due by a Director;
		c)	invest otherwise than in trust securities the amount of compensation received by the Company in respect of compulsory acquisition of such undertaking as is referred to in clause (a) above, or of any premise or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or any after a considerable time;
		d)	borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.
		e)	Contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees in excess of limits laid down by Section 293 of the Act.
		f)	A receipt signed by the Managing Director or any one of the Managing Directors or by a Whole Time Director or by any one of the Whole Time Directors or by a person authorized by a resolution of directors to give receipt for any moneys, funds or property, lent or payable or belonging to the Company, shall be an effectual discharge on behalf of and against the Company for the moneys, funds or property which is such receipt shall be acknowledged to be received, and the person paying any such moneys shall not be bound to see to the application thereof or by answerable for the misapplication thereof
		g)	To open and operate upon and overdraw bank accounts, to sign, make issue, negotiable, discount, endorse, accept or otherwise deal in all types of negotiable instruments including cheques, promissory notes, hundies , bill of exchange and bearer bonds arrange for credits in cash or in kind, specifying the bank or banks with them the cash, credit account is to be opened and the limit of such accounts.
		h)	To incur from time to time such expenses and lay out such sum or sums of moneys as Directors may deem expedient for the purpose of working the work-shop/s or factory/ies or for improving the business of the Company from time to time, to erect and fix new machinery or plant, or in any of the lands, building and premises for the time being in the position or the property or the Company, and time to time removal for all or any of the machinery, plant and stores of the Company being in or upon any loans, buildings and premises of the Company, to other lands. Building or premises wherever situate of the Company.
		i)	To effect all kinds of insurance which in the opinion of the Directors ought to be effected for the benefit of the Company and in particular to ensure the property of the Company against loss or damage by fire or otherwise, and also to ensure against any standing charges and to ensure any anticipated profits of the company of any transaction or transactions entered into by the company, and to sell assign, surrender or discontinue any policies of insurance effected in pursuance of this power.
		j)	To give any person employed by the Company a commission on the profits of any particular business or transaction and such commission shall be treated as part of the working expenses of the Company. Provided further that the powers specified in Section 298 of the Act, subject to these Articles



			be exercised only at meeting of the Board, unless the same be delegate to the extent therein stated.
Certain powers of the Board	229.		Without prejudice to the general powers conferred by the last proceeding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restriction contained in the last proceeding Article, it is hereby declared that the Directors shall have the following powers, that is to say power :-
		a)	To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
		b)	To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 76 and 208 of the Act;
		c)	Subject to Section 292 and 297 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
		d)	At their discretion and subject to the provision of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount as paid-up thereon as may be agreed upon; and any such bonds, debentures, mortgages, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled up capital or not so charged;
		e)	To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for time being or in such manner as they may think fit;
		f)	To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose, and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
		g)	To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, dues and of any claims or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon;
		h)	To act on behalf of the Company in all matters relating to bankrupts and insolvents;
		i)	To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company;
		j)	Subject to the provisions of Section 292, 293(1)(C), 295, 369, 370, 372 and 373 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit and from time to time vary of realise such investments. Save as provided in Section 49 of the Act all investments shall be made and held in the Company's own name;
		k)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal



			liability whether as principal of security, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
		l)	To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;
		m)	To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company commission in the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
		n)	To provide for the welfare of Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing to provident fund and other association, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to Section 293 (1)(C) to subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.
		o)	Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any Special Fund, to meet contingencies or to repay debentures, or debenture-stock, or redeemable preference shares or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause), as the Board may in the absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested and disposed off and apply and expand all or part thereof for the benefit of the Company in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board may apply or upon which they may expend the same, or any part hereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Board may think fit, with power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit to such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum.



		p)	To appoint, and at their discretion remove or suspense such managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or services as they may from time to time think fit, and to determine their power and duties and fix their salary or emoluments or remuneration and to require security in such instances and to such amount as they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in four next following sub clauses shall be without prejudice to the general powers conferred by this sub clause;
		q)	To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;
		r)	From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Board, and to fix their remuneration;
		s)	Subject to Section 292 of the Act, from time to time, and at any time, to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow monies and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
		t)	At any time and from time to time by Power of Attorney under the Seal of the Company to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (including exceeding those vested in or exercisable by the Board under these present and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow money) and for periods and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the member or any of the members or any of the members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such Powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
		u)	Subject to Section 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name



			and on behalf of the Company as they may consider expedient and generally subject to the provisions of the Act and these Articles to delegate the powers or authorities and discretions vested in the Directors to any person, firm, Company or fluctuating body of person as aforesaid;
		v)	From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants;
			THE SECRETARY
Secretary	232.		Subject to the provisions of Section 383 of the Act, the Directors may from time to time appoint, and at their discretion, remove any individual (hereinafter called "the Secretary") who shall have such qualification as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed by the Secretary, and to execute any other duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also any time appoint some person (who need not be Secretary) to keep the register required to be kept by the Company.
			THE SEAL
The Seal, its custody and use	233.	a)	The Board shall provide a Common Seal for the purposes of the Company, shall have powers from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board of Committee of the Board, previously given.
		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.
			DIVIDENDS
Division of profits	235.		Subject to the provision of Section 205 of the act and the rules made there under, the profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provision of these Articles, shall be divisible among Members in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.
The Company in General Meeting may declare a dividend	236.		The Company in General Meeting may declare dividends to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
Interim Dividend	239.		Subject to the provision of the Act, the Board may, from time to time pay to the Members such interim dividend as in their judgment the position of the Company justifies.
Capital paid-up in advance at	240.		Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in



interest, not to earn dividend			profits.
Dividends in proportion to amount paid up	241.		All dividends shall be apportioned and paid proportionately to amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such share rank for dividend accordingly.
Right to dividend rights / Bonus shares to be held in abeyance pending registration of transfer	242.		Subject to the provisions of the Act, where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the company, notwithstanding anything contained in any other provisions of the Act, the company shall: (a) transfer the dividend in relation to such shares to the special account referred to an Section 205-A unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instruments of transfer, and (b) keep in abeyance in relation to such shares any offer of rights shares under section 81 (1) (a) and any issue of fully paid bonus shares in pursuance of section 205 (3) of the Act.
Transfer of shares must be registered	243.		A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Dividend etc. to joint holders	244.		Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
No member to receive dividend whilst indebted to the Company and Company's right of reimbursement there out	245.		No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise on any other account whatsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.
Dividend how Remitted	246.		Unless otherwise directed any dividend may be paid by cheques or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post of the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holding. Every such cheques or warrant or pay-slip shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means. When a dividend cheque, warrant, pay slip or receipt is so posted the Company shall be deemed to have paid the dividend to the person entitled to it.



Dividend and call together	247.		Any General Meeting declaring a dividend, may, on the recommendation of the dividend, make a call on the Member of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the Member be set off against the calls.
No interest on dividend	248.		Subject to the provision of the Act, no unpaid dividend shall bear the interest as against the Company.
Dividend to be payable in cash	249.		Save as stated in Article 255, no dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on nay shares held by the members of the Company.
Special provisions in respect of dividend	250.		Subject to the provisions of Section 205 of the Act and if and inn so far as may not be prohibited by that Section or any of the Provisions of the Act, any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend, wholly or in part, by the distribution of partly or fully paid up, shares and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates or that fractions of less value than Rupee one may de disregarded, in order to adjust the right of the parties and may vest any such shares, in trustees upon such trusts for the person entitled to the dividend as may seem expedient to the Directors. When required the Directors shall comply with Section 75 of the Act and the Directors may appoint any person to sign any contract thereby requires on behalf of the persons entitled to the dividend and such appointment shall be effective.
Capitalisation of profits and reserves	251.	a)	The Company in General meeting may, upon recommendation of the Board resolve that it is desirable to capitalize any undivided profits of the Company not required for paying the fixed dividends on any Preference shares (including profits carried and standing to the credit of any reserve or reserves or other special account and profit arising from the realization of any capital assets or the issue of shares at a premium) and accordingly that the Directors be authorised to the member who would have been entitled to receive the same had such sums been distributed by way of dividends in accordance with their rights, and to apply such profits on their behalf on the footing that they become entitled thereto as capital either in or towards paying up the amount, if any, for the time being unpaid on any shares by such members respectively, or in paying up in full un-issued shares, debentures or securities of the Company of a nominal amount equal to such profits, such shares, debentures or securities to be allotted and distributed, credited, as fully paid-up, to and amongst such members in the proportion aforesaid, or partly in one way and partly in other. Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all the allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such



			provisions by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares, debentures or securities becoming distributable in fraction and also to authorise any person to enter on behalf of all the members in to an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as they case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any parts of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.
		b)	If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may by resolution of the Company be applied in paying up in full or in part any new shares or any shares then remaining un-issued to be issued such members of the Company or other persons as the Directors may resolve up to an amount equal to the nominal amount of the shares so issued.
			INTEREST OUT OF CAPITAL
Interest may be paid out of capital	252.		Where any shares in the Company are issued for the purpose of raising money to defray the expenses of construction of any work or building, or the provisions of any plant, which can not be made profitable for a lengthy period, the Company may pay interest on so much of that Share Capital as is for the time being paid up, for the period and at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building, or the provisions of plant.
			ACCOUNTS
Directors to keep true accounts	253.		The Company shall keep at the Office or at such other place in India as the Board thins fit, proper Books of Accounts in accordance with Section 209 of the Act with respect to :-
		a)	all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
		b)	all sales and purchases of goods by the Company;
		c)	The assets and liabilities of the Company.
			Where the Board decides to keep all or any of the Books of Account at any place other than the Office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
			The Company shall preserve in good order the books of accounts relating to a period of not less than eight years proceeding the current year together with the vouchers relevant to any entry in such books of accounts.
			If the Company owns one or more than one branch office/s, whether in or



			outside India, proper Books of Accounts relating to the transactions effected at the branch office shall be kept at that branch office/s and proper summarized returns, made upto date at intervals of not more than three months, shall be sent by the branch office/s to the Company at its Registered Office or other place in India as the Board thinks fit where the said Books of the Company are kept.
			The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be and explain its transactions. The Books of Account and other books and paper shall be open to inspection by any Directors during business hours.
As to inspection of accounts or books by Members	254.		The Board shall from time to time determine whether and to what extend and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorized by the Board or by a resolution of the Company in General Meeting.
Statement of accounts to be furnished to General Meeting	255.		The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215 and 217 of the Act, cause to be prepared and to be laid before this Company in General Meeting, such Balance Sheets, Profit & Loss Accounts and Reports as are required by those Sections and in the form set out in part I of Schedule VI of the Act.
Board's Report to be attached to Balance Sheet	256.	A.	Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts if any which it proposes, to carry to any reserve in such Balance Sheet, the amounts, if any, which it recommends to be paid by way of dividends and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
		B.	The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of Company's business in the Company's subsidiaries or in the nature of the business in which the Company has an interest.
		C.	The Report shall also include a statement showing particulars of its employees as mentioned in Section 217 (2A) of the Act.
		D.	The Board shall also give the fullest information and explanation in its report or in cases falling under the provision to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditors Report.
		E.	The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company.



		F.	The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clause A to D of this Article are complied with.
			AUDIT
Accounts to be audited	259.	a)	Every Balance Sheet and Profit & Loss Account shall be audited by one or more Auditors, as may be appointed from time to time.
		b)	The Company will comply with all the provisions prescribed in Section 224 to Section 233 (both inclusive) of the Act, as amended from time to time.
First Auditor or Auditors	260.		The first Auditor or Auditors of the Company shall be appointed by the board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. Provided that the Company may at a General Meeting remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company not less than fourteen days before the date of the meeting, provided further that if the Board fails to exercise its power under this Article, the Company in General Meeting may appoint the first Auditor or Auditor.
Accounts when audited and approved be conclusive	261.		Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the accounts shall forthwith be corrected and henceforth shall be conclusive,
Authentication of documents and proceedings	262.		Save as otherwise expressly provided in the Act, A document or proceedings requiring authentication by the Company may be signed by the Director, the Managing Director, the Manager, the Secretary or other authorized officer of the Company and need not be under its Common Seal.
			DOCUMENTS AND NOTICES
Service of documents or notice on Members by Company	263.	a)	A document or notice may be served or given by the Company on any Member either personally or be sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.
		b)	Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, serving shall be deemed to have been effected in the case of a notice of a meeting, at the expiry of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.
		c)	Where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by Registered Post with or without acknowledgement due, and has deposited with the Company



			a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member.
By Advertisement	264.		A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears on every Member who has no registered address in India and has not supplied to the Company any address within India for the serving of documents on or the sending of notices to him and shall be deemed to have been given on the day on which the advertisement shall first appear.
Reconstruction	271.		On any sale of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorized by a Special Resolution and after paying off the holders of preference shares, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either than existing or to be formed for the purpose in whole or in part of the property of the company, and the Board (if the profits of the Company permit) or the liquidators (or winding-up) may distribute such shares or securities or any other property or the Company amongst the holders of ordinary shares without realization, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, or other securities benefit or property, otherwise than in accordance with the strict legal rights of the holders of ordinary shares, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of ordinary shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation thereto save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 494 of the Act as are incapable of being varied or excluded by these Articles.
			WINDING UP
Winding up	272.	A.	Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.
		B.	But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.
Distribution in specie or in kind	273.		Subject to the provisions of the Act if the Company shall be wound up whether voluntarily or otherwise the liquidator may with the sanction of a Special Resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind the whole or any part of the



			assets of the Company, and may, with the like sanction vest any part of the assets of the company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.
			INDEMNITY AND RESPONSIBILITY
Director's and other's right of indemnity	274.	a)	Subject to the provisions of Section 201 of the Act, every Director, Manager, Auditor and other Officer or Servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the Funds of the Company to pay all costs, losses and expenses which any such Director, Manager, Auditor or other Officer or Servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such Director, Manager, Auditor or other Officer or servant or in any way in the discharge of his duties including travelling, expenses and in particular and so as not to limit the generality of the forgoing provisions against all liabilities incurred by him as such Director, Manager, Auditor or other Officer in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or he is acquitted, or in connection with any application under Section 633 of the Act in which relief is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.
		b)	Subject to the provision of Section 201 of the Act, no Director, Manager, or other Officer of the Company shall be liable for the acts, receipts neglects or defaults of any other Director or Officer or for joining in any receipt or other Act for conformity or for any loss or for joining in any receipt or other Act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys, securities or effect shall be deposited or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own dishonest.
			SECRECY CLAUSE
Secrecy clause	275.	a)	Every Director, (except institutional/ex-officio Director) Auditor, Trustee, member of a committee, officer, servant, agent, accountant or any other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company and all matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
		b)	No member shall be entitled to visit or inspect any works of the Company,



			without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, business or customers, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director, would be inexpedient in the interest of the Company to disclose.
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SECTION VIII - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following Contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Offer Document) which are or may be deemed material have been entered or to be entered into by our Company. These Contracts, copies of which have been attached to the copy of this Offer Document, delivered to the Registrar of Companies, Maharashtra located at Mumbai for registration and also the documents for inspection referred to hereunder, may be inspected at the registered office of our Company situated at A-32, STICE, Sinnar, Nashik-422 103, (Maharashtra India), 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.

1. Material Contracts:

- Memorandum of Understanding dated March 05, 2010 entered into between the Company and Keynote Corporate Services Limited, Book Running Lead Manager to the Issue.
- Memorandum of Understanding dated February 06, 2010 entered into between the Company and Ashika Capitals Limited, Book Running Lead Manager to the Issue.
- Memorandum of Understanding dated November 19, 2009 entered into between the Company and Mondkar Computer Pvt. Ltd., Registrar to the Issue.
- Escrow Agreement dated [•], between the Company, the BRLMs, the Escrow Collection Banks and the Registrar to the Issue.
- Syndicate Agreement dated [•] between the Company, BRLMs and Syndicate Members.
- Underwriting Agreement dated [•] between the Company, BRLMs and Syndicate Members.
- Copy of Tripartite agreement dated February 09, 2010 entered into between the Company, CDSL and Registrar to the Issue.
- Copy of Tripartite agreement dated February 18, 2010 entered into between the Company, NSDL and Registrar to the Issue.

2. Material Documents:

- Memorandum of Association and Articles of Association of the Company, as amended from time to time.
- Copy of the resolution passed at the meeting of the Board of Directors held on November 14, 2009 regarding the issue .
- Copy of the resolution passed by the shareholders at EGM held on November 19, 2009 under Section 81(1A) of the Companies Act, 1956 in relation to this issue and other related matters.
- Copy of resolution passed at the meeting of Board of Directors held on March 10, 2010 for approving this DRHP.
- Copy of resolution passed at the meeting of Board of Directors held on September 14, 2010 for approving this RHP.



- Balance Sheets of the Company for the financial years ending on March 31, 2010, 2009, 2008, 2007 and 2006.
- Consents of Auditors, Bankers to the Company, BRLMs, Registrar to the Issue, Directors of our Company, Legal Advisor to the Issue, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
- Legal Due Diligence Report dated March 09, 2010 by Corporate Law Chambers India, Advocates and copy of their letter dated August 09, 2010 pertaining to the developments in their Due Diligence Report.
- Copy of certificate dated July 27, 2010 issued by A.S.Kothawade & Co., Chartered Accountant in terms of Part II Schedule II of the Companies Act 1956 including capitalisation statement, taxation statement and accounting ratio.
- Copy of certificate dated July 26, 2010 issued by M/s. Patil Hiran Jajoo & Co., Chartered Accountant and Statutory Auditors of the Company regarding tax benefits accruing to the company and its shareholders.
- Copy of certificate dated July 26, 2010 received from M/s. Patil Hiran Jajoo & Co., Chartered Accountant and Statutory Auditors of the Company regarding sources and deployment of funds.
- Copy of Scheme of Amalgamation between our company, Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited
- Due Diligence Certificate dated March 09, 2010 to SEBI from Keynote Corporate Services Limited and Ashika Capital Limited
- Copy of inter-se allocation of responsibilities dated March 09, 2010 between Keynote Corporate Services Limited and Ashika Capital Limited (Book Running Lead Managers to the Issue).
- IPO grading report dated August 10, 2010 issued by ICRA Limited, a credit rating agency registered with SEBI.
- In-principle approvals dated June 15, 2010 and May 05, 2010 from NSE and BSE for listing of the securities offered through this Prospectus.
- SEBI Observation Letter No. CFD/DIL/ISSUES/SP/VB/10485/2010 dated 30/06/2010 issued by the Securities and Exchange Board of India and reply to the observation by Keynote Corporate Services Limited (Book Running Lead Manager) vide their letter dated September 02, 2010.

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.



PART III
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 Bedmutha Industries 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

Sd/-
K.R. Bedmutha
Chairman

Sd/-
Vijay Vedmutha
Managing Director

Sd/-
Ajay Vedmutha
Joint Managing Director

Sd/-
A. Balasubramanian
Director

Sd/-
N.M. Kadu
Director

Sd/-
Shital Nahar
Director

Sd/-
Nilesh Amrutkar
Company Secretary & Compliance Officer

Place: Nashik
Date: September 14, 2010

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